CITY OF COPPELL, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

Prepared by:

Department of Finance

Jennifer Miller
Director of Finance

CITY OF COPPELL, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

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THE · CITY · OF

COPPELL

TEXAS · 1890

February 13, 2017

Honorable Mayor and City Council
City of Coppell, Texas

Dear Mayor and Council:

The Comprehensive Annual Financial Report of the City of Coppell, Texas (the "City"), for the year ended September 30, 2016, is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that the City issue an annual report on its financial position and activity, and that an independent firm of certified public accountants audit this report.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City Council selected the firm of Grant Thornton LLP, Certified Public Accountants to audit these financial statements. The independent auditor has issued an unmodified ("clean") opinion on the City's financial statements for the year ended September 30, 2016, and the auditor's report is located at the front of the financial section of the Comprehensive Annual Financial Report.

Management provides a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditor's report.

Profile of the Government

Location and Population:

The City of Coppell is located in the northwest portion of Dallas County with a small area of the City extending into Denton County. The City is bound by the cities of Lewisville on the north, Grapevine on the west, Carrollton on the east, Irving on the south, Dallas on the southeast, and the Dallas-Fort Worth International Airport on the southwest. Interstate Highway 635 is a direct route between the City and City of Dallas. The City of Fort Worth is approximately 20 miles to the southwest via Highway 121. Coppell's land area is 14.71 square miles and has an estimated population of 39,880.

Governing Body:

The City of Coppell was originally incorporated December 17, 1955. The current Charter was adopted January 18, 1986 and amended August 28, 2001. The City is a home rule city and operates under the Council-Manager form of government. The legislative and governing body of the City consists of a Mayor and seven (7) Council members and is known as the "City Council of the City of Coppell, Texas." The Council members are elected by place at large under the general provisions provided by Article III of the Charter for three (3) year terms. The three (3) year terms are staggered. Commencing with the regular municipal election of 2002, council members for Places 1, 3, 5, and 7 shall be elected for a term of three (3) years. Commencing with the regular municipal election of 2003, council members for Places 2, 4, 6, and the mayor shall be elected for a term of three (3) years. The Mayor and each Councilmember, unless sooner removed under the provisions of the City Charter, hold office until a successor is elected and qualified. Regular terms of office commence at the beginning of the first regular meeting of the Council in May or following the final election as provided in section 3.01 of the City Charter.

The Charter requires that the Council appoint a City Manager to act as the chief administrative and executive officer of the City. The City Manager is not appointed for a definite fixed time and may be removed at the will and pleasure of the majority of the Council. It is the responsibility of the City Manager to appoint and remove department heads and conduct the general affairs of the City in accordance with the policies of Council.

Services Provided by the City:

The City provides to its citizens those services which have proven to be necessary and meaningful and can be provided by the City at the least cost. Major services provided are: police and fire protection, emergency ambulance service, water and sewer service, park and recreational facilities and a library with 88,601 volumes. Other services include planning future land use, traffic control, building inspection, and environmental control.

Electrical, gas, telephone and cable television services are provided by privately-owned utility companies. These companies are Oncor, Atmos, Verizon, AT&T, and Time Warner, respectively.

Budgeting:

The City Charter establishes the fiscal year as the twelve-month period beginning October 1. The departments submit to the City Manager a budget of estimated expenditures for the ensuing fiscal year no later than the first of July. The City Manager subsequently submits a budget of estimated expenditures and revenues, by August 5, to the City Council.

Upon receipt of the budget estimates, the Council holds a public hearing on the budget ordinance and tax rate ordinance. Information about the budget ordinance is then published in the official newspaper of the City. The Council is precluded from passing the budget ordinance until fourteen days have passed after the ordinance publication.

During the fiscal year, budgetary control is maintained by comparison of departmental appropriation balances with purchase orders prior to their release to vendors. Purchase orders which exceed appropriated balances are not released until they have been further reviewed and approved by the City Manager or his designee.

Departmental appropriations, that have not been expended or encumbered by the departments at the end of the fiscal year, lapse. Therefore, funds that were budgeted and not used by the departments during the fiscal year are not available for their use unless appropriated in the ensuing fiscal year's budget.

The City Council approves annual appropriations for operations and interfund transfers for all operating and debt service funds. The City Manager has the authority to transfer unexpended balances between departmental budgets within appropriated funds. The City Council, however, must approve any increase in fund appropriations. The legal level of budgetary control is the fund level. For additional information about the budget process, see Note 2 of the Notes to Financial Statements.

Reporting Entity:

This report includes all funds of the City of Coppell and its component units. A component unit is a legally separate entity for which the city is financially accountable. A "blended component unit", although a legally separate entity is, in substance, part of the City's operations. Accordingly, the Coppell Recreation Development Corporation #1 and Coppell Recreation Development Corporation #2 are reported in two special revenue funds, a capital project fund, and a debt service fund and The Coppell Economic Development Foundation is recorded as a special revenue fund.

A "discretely presented component unit" is presented in a separate column of the Government-wide Financial Statements to emphasize it is legally separate. During the fiscal year ended September 30, 2001, the Coppell City Council approved the creation of the Coppell Health Facilities Development Corporation and the Coppell Education Development Corporation which are both considered discretely presented component units. Both the Coppell Health Facilities Development Corporation and the Coppell Education Development Corporation had no financial activity during the fiscal year ending September 30, 2016. Therefore, a separate column is not included in the Government-wide Financial Statements for these entities.

Local Economy

Coppell has a large industrial area within the City with rail service and adequate water storage to meet fire protection and other demands. The City is not financially dependent upon any one industry or type of industry. The City recognizes the value of industry to its economic base and continues to seek industry which will be beneficial to the community.

The City has direct access to Interstate Highway 635 and easy access to Interstate Highway 35. Railroad freight service is provided by St. Louis, Southwestern, Missouri, Kansas and Topeka, Cotton Belt, Frisco, and Rock Island lines. The City is located only four miles northeast of the Dallas-Fort Worth International Airport.

The City is served by the Coppell Independent School District (CISD), one of the highest rated school districts in the Dallas-Fort Worth metropolitan area. The City has two high schools, three middle schools, and ten elementary schools. Enrollment for 2015/16 school year was 12,368 with a pupil-teacher ratio of one teacher to 16 students. The school administration and citizenry have taken an aggressive approach in the support and financing of an outstanding school system and excellent facilities.

Colleges within close proximity to the City are Northlake College, Tarrant County College, Southern Methodist University, University of Dallas, University of North Texas, Texas Woman's University, University of Texas at Dallas, University of Texas at Arlington, and Texas Christian University, all of which are well-known for their educational standards.

Medical services are provided by the Coppell Family Physicians. Full service hospitals in the immediate area include Trinity Medical Center, Las Colinas Medical Center, Texas Hospital for Advanced Medicine, Lewisville Memorial Hospital and Baylor-Grapevine Hospital. An advanced life support program is provided by paramedic employees of the City's fire department.

Coppell, located in the Dallas-Fort Worth Metroplex, and included as one of the thirteen cities which comprise the Mid-Cities, continues to grow and develop. This growth and development should continue in subsequent years as Coppell has close proximity to the Dallas-Fort Worth metropolitan area and the Dallas-Fort Worth International Airport.

The City has recognized the need for planning of its systems for handling growth as well as land-use planning and development. Many hours continue to be spent by a highly competent and professional staff to ensure positive benefits from development.

Long-term Financial Planning

Unassigned Fund Balance:

The $31,555,920 unassigned fund balance in the General Fund is the equivalent of 61.2 percent of expenditures. The financial policy guidelines set by the Fund Balance Policy approved by the governing body states that the unassigned classification includes all amounts not contained in other

classifications and that the unassigned fund balance for the general fund will be maintained at a level sufficient to provide the required resources to meet operating costs needs, to allow for unforeseen needs of an emergency nature, and to permit orderly adjustments to changes resulting from fluctuation of revenue sources. On an annual basis, the City studies a five-year plan for evaluating tax rates and utility rates as they relate to debt financing for capital needs and the operating costs of providing services to citizens.

Authority to Issue Debt:

The City Charter states "the City shall have the power to borrow money on the credit of the City and to issue general obligation bonds for permanent public improvements or for any other public purpose not prohibited by law and this charter and to issue refunding bonds to refund outstanding bonds previously issued." The Charter precludes the use of bond proceeds for any purpose other than that for which the bonds were sold.

Bond Rating

The City's bond ratings are as follows:

	General Obligation	Sales Tax
Standard & Poors	AAA	AA
Moody's Investor Services	Aaa	Aa2

Major Initiatives

Although the City of Coppell is nearing build-out, the city still experienced growth in both residential and commercial development in 2016. The City welcomed approximately 82 new businesses in 2016 and made exciting announcements about other businesses including a second fulfillment center for Amazon.com, the corporate headquarters for Caliber Home Loans and numerous others. The City's first hotel opened in November 2016, and five additional hotels have been approved by City Council. With over 28 million square feet of commercial space in the City of Coppell, vacancy rates continue to remain low in all commercial categories. Several buildings are currently under construction, and many have pre-leased space before construction has even been completed.

Contributing to the commercial success in the City is the fact that Coppell continues to invest in the infrastructure around town. A new section of Freeport Parkway, a major thoroughfare in Coppell, opened in 2016. Several other roadways are currently under design for reconstruction and/or capacity improvements, which continues to improve access in and around the city. Both Denton Tap & Sandy Lake Road have recently been improved to create visual enhancements such as landscaping, new street lights and burial of overhead power lines, and the intersection of the two streets was also improved to increase capacity by adding free right turn lanes and lengthening left turn bays by modifying existing median openings.

The citizens of Coppell voted to continue the ½ cent sales tax for the Coppell Recreation

Development Corporation in 2015. This funding source will pay for numerous quality-of-life projects that continue to set Coppell apart as a Community for a Lifetime. The newly renovated Cozby Library and Community Commons re-opened their doors to the public in 2016. The space was redesigned to better serve the needs of the library patrons including the addition of meeting rooms, study rooms, a business center and a drive-thru book drop. Life Safety Park is nearing completion with a grand opening event scheduled for January 28, 2017. Life Safety Park will support not only a broad spectrum of public educational needs but also provide community features including a park, museum, party room, and public classrooms. It will also house the City's Emergency Operations Center. The redevelopment of the Andrew Brown Park system is well underway with a grand re-opening event scheduled for the public on July 1, 2017. Recovered open space, expanded natural areas, trail connections and picnic pavilions will provide enjoyment and preservation of the beautiful natural setting that has made Andrew Brown Parks a favorite destination for years. The construction of additional hike and bike trails as well as the improvement to drainage and open spaces will begin in the near future.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a "Certificate of Achievement for Excellence in Financial Reporting" to the City of Coppell for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2015. The Certificate of Achievement is the highest form of recognition for excellence in state and local government reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. Such comprehensive annual financial report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Coppell received the Certificate of Achievement for the last twenty-seven years (fiscal years ended September 30, 1989-2015). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the Department who assisted and contributed in its preparation. We would like to thank the members of the City Council for their cooperation and support, without whom the accomplishments and improvements realized in the current year would not have been possible.

Respectfully submitted,

Clay Phillips
City Manager

Jennifer Miller
Director of Finance

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Coppell

Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2015

Executive Director/CEO

City of Coppell, Texas

Principal Officers

Fiscal Year 2016-2017

MAYOR

Karen Hunt

MAYOR PRO TEM

Wes Mays

CITY COUNCIL

Cliff Long
Brianna Hinojosa-Flores
Gary Roden
Nancy Yingling
Marvin Franklin
Mark Hill

CITY MANAGER

Clay Phillips

DEPUTY CITY MANAGERS

Mario Canizares
Mike Land

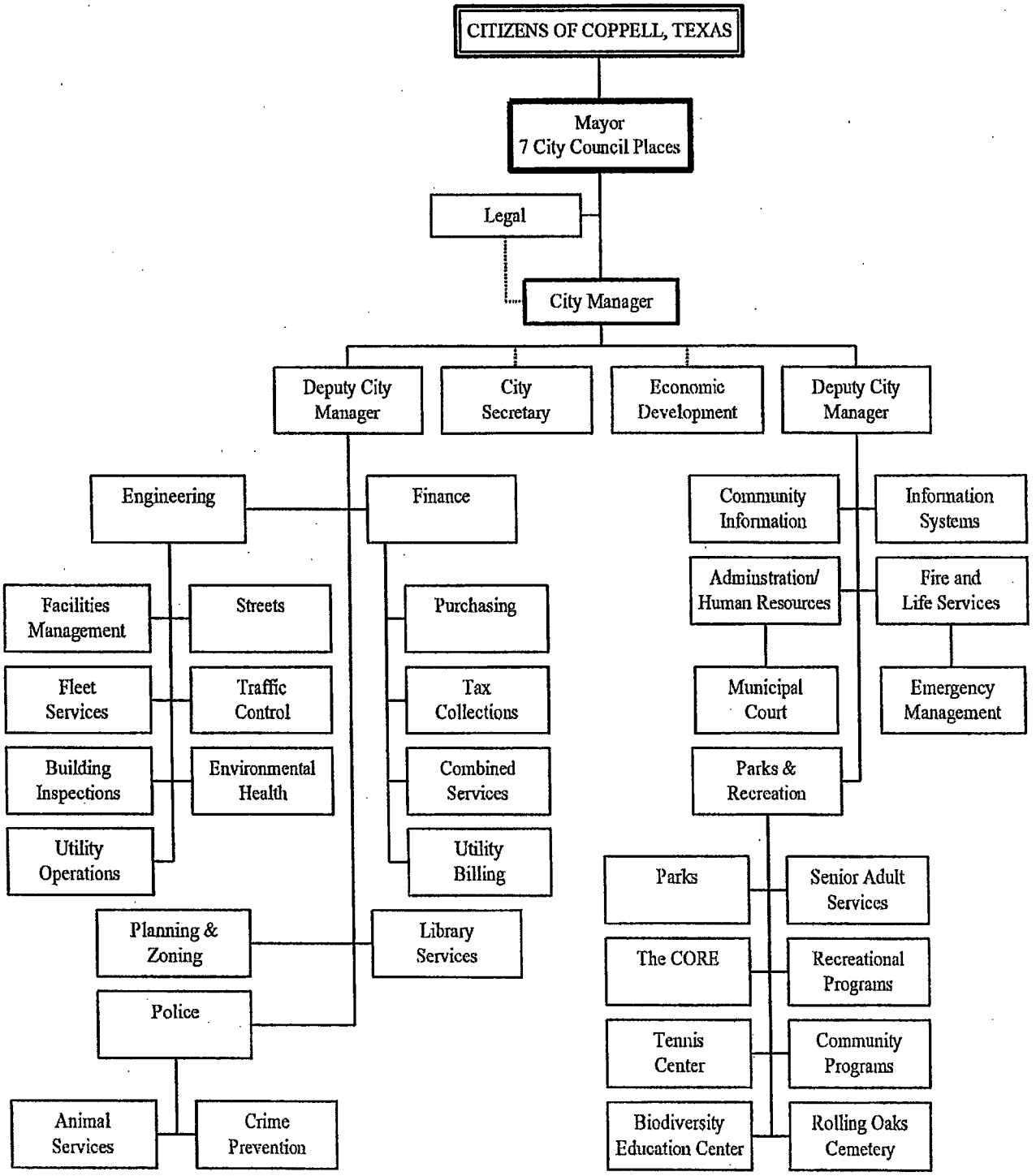
DIRECTOR OF FINANCE

Jennifer Miller

ASSISTANT DIRECTOR OF FINANCE

Kim Tiehen

City-Wide Organizational Chart



THE · CITY · OF
COPPELL
TEXAS · 1890

INDEPENDENT AUDITOR'S REPORT

Grant Thornton

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Grant Thornton LLP
1717 Main Street, Suite 1800
Dallas, TX 75201-4667

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The Honorable Mayor, City Council and City Manager
The City of Coppell, Texas

Report on the financial statements
We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Coppell, Texas (the "City") as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's responsibility for the financial statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Coppell, Texas as of September 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund and Infrastructure Maintenance Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Grant Thornton

Other matters

Required supplementary information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 13 through 25, the Texas Municipal Retirement System Schedule of Changes in Net Pension Liability and Related Ratios on page 75, the Texas Municipal Retirement System Schedule of Contributions on page 76, the Schedule of Other Post-Employment Benefits Funding Progress on page 77, and the Schedule of Other Post-Employment Benefits Contributions on page 78 be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. This required supplementary information is the responsibility of management. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America. These limited procedures consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining fund financial statements, and individual non-major fund budget to actual schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures. These additional procedures included comparing and reconciling the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other information

The introductory section, statistical section, reports for management, and continuing financial disclosure tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Grant Thornton LLP

Dallas, Texas
February 13, 2017

Grant Thornton LLP
U.S. member firm of Grant Thornton International Ltd

Our discussion and analysis of the City of Coppell's (the City) financial performance provides an overview and analysis of the City's financial activities for the fiscal year ended September 30, 2016. Please read it in conjunction with the accompanying transmittal letter and the accompanying basic financial statements.

FINANCIAL HIGHLIGHTS

- The City's net position at the close of the fiscal year ended September 30, 2016 was $329.8 million. Of this amount, $37.2 million (unrestricted component of net position) may be used to meet the City's ongoing obligations to citizens and creditors.

- The City's net position of governmental activities increased by $13.4 million or 5.3 percent. The increase is primarily attributable to an increase in property tax of $2.2 million and an increase in sales tax of $3.5 million. The increase in property tax is the result of an increase in property values which is the result of a growing economy in the Dallas Fort Worth area. Several large corporations have relocated to the area increasing the demand for housing. The increase in sales tax is attributed to an improving local economy and overall growth of business in the City.

- Net position of the City's business type activities decreased by $1.7 million as a result of increased cost of water and sewer treatment purchases.

- Current and other assets of the governmental activities decreased $17.0 million or 11.2 percent in comparison with the prior fiscal year. Specifically, investments decreased $16.5 million. The decrease relates to the fact that the City issued $29 million in bonds in the prior year for projects that are being completed in fiscal year 2015-2016. Therefore, investments are maturing and being used to pay for the projects as work is completed. Specifically, the Library remodel project was substantially complete by September 30 and the Life Safety Park and Andy Brown Park projects were well underway and required periodic payments as work was completed.

- Total expenses of all the City's programs decreased during the current fiscal year by $0.4 million or 0.4 percent. The decrease is attributed to increases of $3.3 million in general government expenses and $1.1 million of water and sewer expenses, reduced by decreases of $2.0 million in public works expenses, $1.6 million in public safety expenses, $0.6 million bond issuance costs, $0.5 million in culture and recreation expenses, and $0.1 million in interest on long term debt.

- As of September 30, 2016, the City's governmental funds reported combined ending fund balances of $114.6 million, a decrease of $13.6 million in comparison with the prior fiscal year. Approximately $31.6 million, or approximately 61.2 percent of total General Fund expenditures is available for spending at the City's discretion (unassigned fund balance).

- The City's total bonded debt increased approximately $3.4 million during the current fiscal year. The increase in debt was attributable to the issuance of the Combination Tax and Limited

Surplus Revenue Certificates of Obligation, Series 2016, and General Obligation Refunding Bonds, Series 2016, netted with scheduled debt service payments made.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to private-sector business.

The statement of net position presents information on all of the City's assets and deferred outflows, as well as liabilities and deferred inflows, with the difference between these reported as net position. Over time, the increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The statement of net position combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations. Other non-financial factors should also be taken into consideration, such as changes in the City's property tax base and the condition of the City's infrastructure (i.e. roads, drainage improvements, storm and sewer lines, etc.) to assess the overall health or financial condition of the City.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (such as uncollected taxes and earned but unused vacation leave.) Both the statement of net position and the statement of activities are prepared utilizing the accrual basis of accounting.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, and culture and recreation. The business-type activities of the City include the water and sewer system.

The Recreation Development Corporation and the Coppell Economic Development Foundation, although legally separate, function for all practical purposes as departments of the City of Coppell, and therefore has been included as an integral part of the primary government.

The government-wide financial statements can be found in the basic financial statements section of this report.

Reporting the City's Most Significant Funds

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with

finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. The governmental funds' focus on *near-term inflows and outflows of spendable resources* helps users of the financial statements to determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities.*

The City maintains twenty-eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the general obligation debt service fund, the streets capital project fund and the recreation development capital project fund, all of which are considered to be major funds. Data from the other twenty-four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

Proprietary funds. The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses an enterprise fund to account for its water and sewer operations. The *Internal Service fund* is an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its self-funded health program and capital replacement program. Because these services predominantly benefit governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund, which is considered to be a major fund of the City as well as information for the internal service fund.

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used to support programs of the City. The permanent fund reported by the City is used to account for the assets and earnings used to support the operations and maintenance of the Rolling Oaks Cemetery.

The City as Trustee

Reporting the City's Fiduciary Responsibilities

Fiduciary funds. The City maintains one *agency fund*, the Health Reimbursement Arrangement Fund. An agency fund is a type of Fiduciary fund. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

Private-purpose Trust Fund. The City uses *private-purpose trust funds* to account for trust arrangements under which principal and income benefit individuals, private organizations, or other governments. The Private-purpose Trust fund reported by the City is used to account for preneed internment and memorial arrangements made through the Rolling Oak Cemetery.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the City's retirement plan and the progress in funding its obligation to provide other post-employment benefits to employees. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

The City as a Whole

Government-wide Financial Analysis

The City's combined net position was $329.8 million as of September 30, 2016. Analyzing the net position of governmental and business-type activities separately, the business type activities net position is $61.8 million. This analysis focuses on the net position (Table 1), general revenues (Table 2), and changes in net position (Table 3) of the City's governmental and business-type activities.

By far the largest portion of the City's net position (78.0 percent) reflects its investment in capital assets (such as land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves generally are not used to liquidate these liabilities.

Table 1
NET POSITION
(In millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Current and other assets	$ 134.3	$ 151.3	$ 13.7	$ 13.9	$ 148.0	$ 165.2
Capital assets	269.3	236.5	51.0	52.7	320.3	289.2
Total assets	403.6	387.8	64.7	66.6	468.3	454.4
Deferred outflows of resources	12.0	5.6	0.5	0.3	12.5	5.9
Long-term debt outstanding	130.1	117.7	1.4	1.4	131.5	119.1
Other liabilities	16.8	20.8	2.0	2.0	18.8	22.8
Total liabilities	146.9	138.5	3.4	3.4	150.3	141.9
Deferred inflows of resources	0.7	0.3	-	-	0.7	0.3
Net position:						
Net investment in capital assets	206.6	174.2	50.5	52.0	257.1	226.2
Restricted	35.5	36.6	-	-	35.5	36.6
Unrestricted	25.9	43.8	11.3	11.5	37.2	55.3
Total net position	$ 268.0	$ 254.6	$ 61.8	$ 63.5	$ 329.8	$ 318.1

Governmental Activities

The City's general revenues increased when compared to the prior year by 8.5 percent or $5.9 million. The primary reason for the increase was increases in sales and property tax revenues of $3.6 million and $2.2 million respectively. The increases are attributed to overall growth of business in the City, a healthy economy, and increased regional demand for real estate.

The citizens approved the collection of ¼ of one percent of sales tax for street maintenance and another ¼ of one percent for a crime prevention district. The sales tax collected for street maintenance is recorded in the Infrastructure Maintenance Special Revenue Fund and the sales tax collected for the Crime Prevention District is recorded in the Crime Prevention District Special Revenue Fund.

The increase in the City's general revenues is detailed below (Table 2):

Table 2
General Revenues
(in Millions)

	2016	2015	Increase (Decrease)
Property Tax	$ 36.3	$ 34.1	$ 2.2
Sales Tax	33.8	30.2	3.6
Franchise Tax	4.3	4.2	0.1
Investment Earnings	0.4	0.1	0.3
Miscellaneous	0.6	0.9	(0.3)
Total general revenues	$ 75.4	$ 69.5	$ 5.9

Governmental activities increased the City's net position by $13.4 million. The key elements of this increase are as follows:

Table 3
Changes in Net Position
(in Millions)

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues:						
Charges for services	$ 9.3	$ 9.3	$ 14.3	$ 13.0	$ 23.6	$ 22.3
Operating grants and contributions	-	0.1	-	-	-	0.1
Capital grants and contributions	3.7	9.3	0.4	1.2	4.1	10.5
General revenue:						
Property tax	36.3	34.1	-	-	36.3	34.1
Sales tax	33.8	30.2	-	-	33.8	30.2
Franchise tax	4.3	4.2	-	-	4.3	4.2
Other	1.0	1.0	0.6	0.3	1.6	1.3
Total revenues	88.4	88.2	15.3	14.5	103.7	102.7
Expenses:						
General government	13.5	10.2	-	-	13.5	10.2
Public safety	23.7	25.3	-	-	23.7	25.3
Public works	20.0	22.0	-	-	20.0	22.0
Culture and recreation	14.2	14.7	-	-	14.2	14.7
Bond issuance costs	0.3	0.9	-	-	0.3	0.9
Interest on long-term debt	3.3	3.4	-	-	3.3	3.4
Water	-	-	10.8	10.0	10.8	10.0
Sewer	-	-	6.2	5.9	6.2	5.9
Total expenses	75.0	76.5	17.0	15.9	92.0	92.4
Increase (decrease) in net position	13.4	11.7	(1.7)	(1.4)	11.7	10.3
Net position – October 1	254.6	242.9	63.5	64.9	318.1	307.8
Net position – September 30	$ 268.0	$ 254.6	$ 61.8	$ 63.5	$ 329.8	$ 318.1

Nearly offsetting the previously mentioned increases in sales tax and property tax revenues, was a $5.6 million decrease in Capital Grants and Contributions. The decrease is attributed to the winding down of several large street projects, including reduction in capital grants of $1.7 million for the Freeport Parkway/State Highway 121 project, and reduction of $0.5 million in contributions for the West Sandy Lake Road project. A reduction of $0.2 million in contributions for the Biodiversity Center also occurred. The remaining decrease is a reduction in contributed infrastructure by developers.

The most significant governmental expense for the City was in providing public safety, which incurred expenses of $26.6 million. While funded primarily through general revenues, these expenses were partially offset by revenues collected from a variety of sources, with the largest being from fines and forfeitures, which were $1.7 million for the fiscal year ended September 30, 2016, which was a $0.1 million increase from the previous fiscal year. The most significant portion of public safety expenses is the cost of personnel, which was approximately $18.0 million.

Business-type Activities

Program revenues of the City's business-type activities were $14.7 million for the fiscal year ended September 30, 2016. Program revenues increased approximately $0.5 million or 3.5 percent as compared to the prior fiscal year due to an increase of $0.8 million in water sales and an increase of $0.5 million in sewer services sales offset by a $0.5 million decrease in infrastructure donated by developers, and a $0.2 million decrease in impact fees. Expenses for the City's business-type activities increased by $1.1 million over the prior fiscal year due primarily to $0.7 million increase in the cost of water purchases and $0.2 million increase in sewer treatment purchases.

- The City's water and sewer system recorded charges for services of $14.3 million. The final budget was $14.1 million.

- The final budget for operating expenses totaled $15.6 million, and actual operating expenses totaled $17.0 million.

Change in net position was anticipated to be a decrease of $0.8 million and actual change in net position was a decrease of $1.7 million. The actual decrease was greater than anticipated because depreciation of $2.6 million was not included in the City budget.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of the fiscal year 2016, the City had $320.3 million, net of accumulated depreciation, invested in a broad range of capital assets, including police and fire equipment, buildings, park facilities, streets, and water and sewer lines. (See Table 4) This amount represents a net increase (including additions and deductions) of $31.1 million or 10.8 percent more than the prior fiscal year.

Table 4
Net Investment in Capital Assets at Year-end
(in Millions)

	Governmental Activities		Business-type Activities		Totals	
	2016	2015	2016	2015	2016	2015
Land	$ 41.6	$ 39.9	$ 0.8	$ 0.8	$ 42.4	$ 40.7
Building and Improvements	50.2	44.1	1.0	1.1	51.2	45.2
Parks and Improvements	31.2	31.8	-	-	31.2	31.8
Streets and Improvements	90.9	96.9	-	-	90.9	96.9
Water and Sewer System	-	-	48.5	49.6	48.5	49.6
Vehicles, Machinery and Equipment	6.6	6.1	0.6	0.5	7.2	6.6
Construction in Progress	48.8	17.7	0.1	0.7	48.9	18.4
Total	$ 269.3	$ 236.5	$ 51.0	$ 52.7	$ 320.3	$ 289.2

This year's major additions included (in millions):

Andrew Brown Park Redevelopment	$ 12.6
Various Street Projects	8.4
Library Renovation	5.8
Life Safety Park	4.0
Streetscaping	4.0
Vehicles	1.9
Service Center Expansion	0.9
Engineering Software	0.8
Andrew Brown Park Erosion	0.4
Justice Center Court Remodel	0.3
Joint Fire Training Facility	0.3
Radio Project	0.3
Fire Station #1 Renovation	0.3
Total	$ 40.0

More detailed information about the City's capital assets is presented in Note 4 in the notes to the financial statements.

Long Term Liabilities

At year-end, the City had $100.8 million in bonds outstanding as compared to $97.4 million at the end of the prior fiscal year, an increase of 3.5 percent as shown in Table 5.

Table 5
Outstanding Bonded Debt, at Year-end
(in Millions)

	Governmental Activities		Business-type Activities		Totals	
	2016	2015	2016	2015	2016	2015
General Obligation Bonds (Backed by the City)	$ 70.3	$ 66.0	$ 0.5	$ 0.8	$ 70.8	$ 66.8
Sales Tax Bonds (Backed by Sales & Use Tax)	30.0	30.6	-	-	30.0	30.6
Total	$ 100.3	$ 96.6	$ 0.5	$ 0.8	$ 100.8	$ 97.4

In August 2016, the City issued $10.680 million of Combination Tax and Limited Surplus Revenue Certificates of Obligation, Series 2016. The proceeds from the sale of the certificates are being used for constructing and improving streets and roads, and constructing and installing storm water drainage improvements. The certificates will be repaid from the interest and sinking portion of the property tax collections.

Also in August 2016, the City issued $4.405 million in General Obligation Refunding Bonds, Series 2016 to refund $4.500 million of Combination Tax and Revenue Certificates of Obligation, Series 2007. By doing this, the City saves interest in the long run.

The City is permitted by Article XI, Section 5, of the State of Texas Constitution to levy taxes up to $2.50 per $100 of assessed valuation for general governmental services including the payment of principal and interest on general obligation long-term debt. The City had a tax margin of $1.916 per $100 assessed valuation based upon the maximum rates prescribed by law.

The City maintains a self-funded health program. The self-funded health program is responsible for medical claims up to a stop loss of $125,000 per covered individual with an unlimited life time maximum during the fiscal year. Coverage from a private insurance company is maintained for losses in excess of the stop loss amount. An independent claims administrator performs all claims handling procedures.

The City and its employees contribute to the Texas Municipal Retirement System, and recent changes to standards of the Governmental Accounting Standards Board related to pension reporting have resulted in increased volatility of the net pension liability shown in the last two fiscal years financial statements. Net pension liability of the City increased $7.8 million in fiscal year 2015-2016 to $20.9 million. Detailed information about the net pension liability is presented in Note 10 in the notes to the financial statements,

Other obligations include accrued vacation pay, and other post-employment liability. Information about the City's long-term liabilities is presented in Note 5 in the notes to the financial statements, and detailed information about accrued vacation pay and other post-employment liability is presented in Notes 6 and 13.

THE CITY'S FUNDS

- At the close of the City's fiscal year on September 30, 2016, the governmental funds of the City reported a combined fund balance of $114.6 million, a decrease of $13.6 million compared to prior year. The primary reason for the decrease in the governmental fund balance as compared to the previous year is attributed to an increase of $23.1 million in capital project expenditures by the Recreation Development Corporation and Recreation Capital Project Fund; specifically Andrew Brown Park, $9.8 million; the Library remodel, $5.8 million; Life Safety Park, $3.9 million; and Streetscaping project, $3.9 million.

- The fund balance of the City's General Fund of $57.4 million increased $1.8 million when compared to prior year fund balance. The net change in fund balance in prior year was an increase of $1.2 million. The increase in the net change in fund balance between years is the result of increased revenues of $5.4 million, mostly from property and sales tax revenue increases, offset by a $2.8 million increase in expenditures, $1.1 increase in net transfers to other funds, and $0.7 million decrease in sale of capital assets.

- The City's General Obligation fund balance of $0.9 million was effectively unchanged from the prior year fund balance. Although a bond refunding occurred, the $0.3 million premium received on the bonds was greater than the $0.1 million issuance costs and offset some of the payment to the bond escrow agent.

- The City spent $8.6 million in capital outlay in the Streets Capital Project Fund, a decrease of $1.0 million as compared to the prior year. The decrease is the result of a combination of decrease of $3.1 million in expenditures related to State Highway 121/Freeport and West Sandy Lake Road projects and increase of $2.2 million in expenditures related to Bethel Road, ADA transition plan, and Traffic Signals projects.

- The City's Infrastructure Maintenance Special Revenue Fund balance increased $0.7 million from the prior year fund balance to $14.4 million. The net change in fund balance in the prior year was a decrease of $0.9 million, for a net increase between years of $0.2 million. The increase was a result of increases of $0.5 million in sales tax revenue and $0.4 million in transfers in, offset by $0.8 million decrease in various streets maintenance expenditures.

- The Recreation Development Capital Project fund was a new fund in the prior fiscal year, and received funds from the issuance of $29.0 million in bonds in that year. In the 2016 fiscal year, construction commenced on aforementioned projects, resulting in a capital outlay increase from $1.0 million to $20.6 million, and a fund balance decrease of $19.5 million to $11.0 million.

- The City's Water and Sewer Fund net position of $61.8 million decreased $1.7 million from the prior year. The change in net position in fiscal year 2015 was a decrease of $1.4 million. Although operating revenues turned around from a $0.1 million decrease in fiscal year 2015 to a $1.3 million increase in fiscal year 2016, they were not enough to offset continued increases in expenses and reductions in capital contributions. The increased operating revenues in 2016 are attributable to increased sales of both water and sewer services throughout the year. The increased expenses are attributable to increased demand as well as pass-through rate adjustments imposed by Trinity River Authority and Dallas Water Utilities for wastewater and water services provided.

General Fund Budgetary Highlights

During fiscal year 2015-2016, the City Council amended the budget for the General Fund two times. The major reasons for the amendments were for encumbrance carryover, design and construction of the Service Center expansion, software costs pertaining to the discovery phase of an ERP software upgrade project and acquisition costs of Engineering software, construction costs of the Joint Fire Training Facility, unanticipated repairs to facilities, and an economic development sign grant.

During fiscal year 2015-2016, actual expenditures were $51.6 million compared to the final budget amount of $54.5 million. The $2.9 million variance is the result of less than expected costs associated with salary and salary-related expenditures such as the Family Medical Leave Act (FMLA) and medical/dental insurance, and with contingency funds, fuel, tuition reimbursement, other professional services, computer equipment and special projects, which all had lower costs than anticipated.

For fiscal year 2015-2016, actual revenues were $55.9 million as compared to the final budget of $55.1 million. The resulting $0.8 million variance was primarily due sales tax revenues $0.8 million more than budgeted.

The City's actual General Fund balance was $57.4 million as of the fiscal year end, compared to the final budget fund balance of $53.9 million. The positive variance between actual fund balance and final budget is a result of general government, public safety, public works, culture and recreation, and capital outlay expenditures being less than anticipated.

Economic Factors and Next Year's Budgets and Rates

The City's elected and appointed officials considered many factors when setting the fiscal year 2017 budget, tax rates, and fees that will be charged for the business-type activities. One of those factors is the economy. The population growth experienced by the City has stimulated local business and development activity, and the community has placed additional demands on the City to maintain or enhance services provided to our citizens. However, the City is very close to residential build out and population growth has slowed.

Due to a healthy economy and the City's unique location, both residential and commercial buildings increased in fiscal year 2015-2016. Thirteen residential subdivisions submitted permits during fiscal year 2016. Coppell is viewed by some as "ground zero" for industrial development because Coppell is in close proximity to Dallas/Fort Worth International Airport and quick access to major highways. Numerous large companies have moved their distribution center, regional office and/or corporate headquarters to Coppell, such as Amazon, The Container Store, CiCi's Pizza, Staples, Uline, Kimberly-Clark, IBM, Barcel USA, STMicroelectronics, Shaw Industries and more.

The above indicators were taken into account when adopting the General Fund budget for fiscal year 2016-2017. The total combined budget appropriation totals $88.2 million for 22 operating funds This represents an increase of $5 million or 6 percent from the 2015-2016 budget as the 2016-2017 budget includes an increase in salary and benefits of $2 million in response to a completed salary and benefits survey, an increase in the Crime Prevention District budget of approximately $2 million for the joint emergency dispatch and scheduled fleet replacement, and an increase of approximately $700 thousand for debt service. Ad valorem tax revenue is determined by two major factors: the total assessed value established by both the Dallas Central

Appraisal District and the Denton Central Appraisal District and the tax rate established by the City Council. The City lowered its tax rate to $0.57950 per $100 valuation for fiscal year 2016-2017. According to final figures received from both appraisal districts, the total taxable assessed property tax value for 2016-2017 of $6.7 billion is an increase of $482.5 million or 7.8 percent over 2015-2016 assessed property tax value. The increase is a result of $149.8 million in new property or 2.4 percent while existing property values increased $332.7 or 5.4 percent. This is the fifth year for property values to increase after three consecutive years of declines due to the economic downturn. The General Fund's largest revenue continues to be property tax receipts.

Budgeted expenditures for fiscal year 2016-2017 in the General Fund increased $2 million or 4 percent from the 2015-2016 budget. The increase is due to an increase in salary and benefits of $2 million in response to a completed salary and benefits survey.

As for the City's business-type activities, plans for a second source pump station and underground storage tank came closer to realization as design of the facility began in 2016 and continues into the upcoming fiscal year. The City anticipates issuing bonds in fiscal year 2017 for this purpose. In addition, for the first time in 21 years, the City Council approved an increase to water and sewer rates effective February 1, 2016. The intent of the increase is to pass-through rate adjustments to cover higher costs imposed by Trinity River Authority (TRA) and Dallas Water Utilities (DWU) for wastewater and water services provided by those entities to Coppell. Another rate increase was passed by City Council in January 2017 that is effective February 1, 2017. Again, the rate increase is a pass-through rate adjustment to cover higher costs incurred by the City related to costs imposed by TRA and DWU. The increases in water and sewer rates include increases to the existing block rate structure used to encourage water conservation during summertime peak usage months. The City will continue to monitor the adequacy of water rates charged to its citizens.

Request for Information

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact the Department of Finance, Attn: Director of Finance, at PO Box 9478, Coppell, Texas 75048-9478, call (972) 304-3690, or email at finance@coppelltx.gov.

THE · CITY · OF
COPPELL
TEXAS · 1890

CITY OF COPPELL, TEXAS

GOVERNMENT -WIDE STATEMENT OF NET POSITION
SEPTEMBER 30, 2016

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash	$ 7,202,751	$ 114,545	$ 7,317,296
Investments	120,440,705	8,611,672	129,052,377
Receivables (net of allowances for uncollectible of $434,681 for Governmental and $192,556 for Business-type Activities):			
Taxes	4,136,857	-	4,136,857
Accounts	1,155,233	2,424,110	3,579,343
Interest	76,814	6,043	82,857
Other	251,519	348,448	599,967
Due From Agency Funds	56,514	-	56,514
Prepaid Items	207,786	733,416	941,202
Inventory	-	223,880	223,880
Restricted Assets:			
Cash	-	46,539	46,539
Investments	-	1,169,000	1,169,000
Investment in Joint Venture	840,562	-	840,562
Capital Assets:			
Land	41,626,804	844,572	42,471,376
Building and Improvements	64,269,632	1,411,465	65,681,097
Parks	41,712,585	-	41,712,585
Streets	254,343,655	-	254,343,655
Water and Sewer System	-	99,227,285	99,227,285
Vehicles, Machinery and Equipment	39,532,198	2,867,239	42,399,437
Construction in Progress	48,828,707	136,020	48,964,727
Accumulated Depreciation	(221,073,626)	(53,471,046)	(274,544,672)
Total Assets	403,608,696	64,693,188	468,301,884
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflow - Related to Pension	10,166,614	436,046	10,602,660
Deferred Charge on Refunding	1,809,469	79,961	1,889,430
Total Deferred Outflows of Resources	11,976,083	516,007	12,492,090
LIABILITIES			
Accounts Payable	10,883,165	1,381,449	12,264,614
Accrued Liabilities	468,099	18,408	486,507
Claims Liability	523,717	-	523,717
Retainage Payable	2,392,937	-	2,392,937
Internal balances	(9,985)	9,985	-
Accrued Interest	642,321	2,671	644,992
Payable from Restricted Assets:			
Deposits	-	504,880	504,880
Unavailable Revenue	497,789	-	497,789
Unearned Revenue	1,417,086	-	1,417,086
Non-current liabilities:			
Due within one year:			
Compensated Absences	947,692	57,046	1,004,738
Bonds Payable	7,766,456	360,000	8,126,456
Due in more than one year:			
Compensated Absences	2,160,750	11,248	2,171,998
Bonds Payable	98,332,738	95,000	98,427,738
Net Pension Liability	20,040,252	900,450	20,940,702
Other Post-Employment Liability	892,933	-	892,933
Total Liabilities	146,955,950	3,341,137	150,297,087
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflow - Related to Pension	660,989	29,700	690,689
Total Deferred Inflows of Resources	660,989	29,700	690,689
NET POSITION			
Net investment in capital assets	206,573,165	50,560,535	257,133,700
Restricted for:			
General Government	6,052,879	-	6,052,879
Public Safety	10,175,513	-	10,175,513
Culture and Recreation	10,937,245	-	10,937,245
Economic Development	8,785	-	8,785
Capital Projects	6,906,697	-	6,906,697
Debt Service	1,012,235	-	1,012,235
Perpetual Care - Nonexpendable	397,652	-	397,652
Unrestricted	25,903,669	11,277,823	37,181,492
Total Net Position	$ 267,967,840	$ 61,838,358	$ 329,806,198

The accompanying notes to financial statements are an integral part of this statement.

CITY OF COPPELL, TEXAS

GOVERNMENT -WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2016

Function/Program Activities	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	$ 10,703,347	$ 1,088,093	906	$ -
Public Safety	26,574,260	4,269,496	20,338	25,438
Public Works	20,040,386	1,117,925	-	3,682,845
Culture and Recreation	14,162,493	2,772,976	8,068	2,814
Bond Issuance Costs	254,203	-	-	
Interest on Long-Term Debt	3,309,550	-	-	-
Total Governmental Activities	75,044,239	9,248,490	29,312	3,711,097
Business-Type Activities:				
Water	10,822,513	9,468,559	-	219,182
Sewer	6,137,822	4,874,744	-	169,175
Total Business-Type Activities	16,960,335	14,343,303	-	388,357
Total Primary Government	$ 92,004,574	$ 23,591,793	$ 29,312	$ 4,099,454

General Revenues:
Property Tax
Sales Tax
Franchise Tax
Investment Earnings
Miscellaneous
Gain on Sale of capital assets
Transfers

Total General Revenues and Transfers
Change in Net Position

Net position - beginning

Net position - ending

The accompanying notes to financial statements are an integral part of this statement.

GOVERNMENT -WIDE STATEMENT OF ACTIVITIES
(Continued)

Net (Expenses) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
$ (9,614,348)	$ -	$ (9,614,348)
(22,258,988)	-	(22,258,988)
(15,239,616)	-	(15,239,616)
(11,378,635)	-	(11,378,635)
(254,203)		(254,203)
(3,309,550)	-	(3,309,550)
(62,055,340)	-	(62,055,340)
-	(1,134,772)	(1,134,772)
-	(1,093,903)	(1,093,903)
-	(2,228,675)	(2,228,675)
$ (62,055,340)	$ (2,228,675)	$ (64,284,015)
36,279,008	-	36,279,008
33,794,720	-	33,794,720
4,264,029	-	4,264,029
456,745	192,447	649,192
546,169	380,390	926,559
107,913	8,131	116,044
21,498	(21,498)	-
75,470,082	559,470	76,029,552
13,414,742	(1,669,205)	11,745,537
254,553,098	63,507,563	318,060,661
$ 267,967,840	$ 61,838,358	$ 329,806,198

CITY OF COPPELL, TEXAS

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2016

ASSETS	General	General Obligation	Capital Projects Streets	Capital Projects Recreation Development	Infrastructure Maintenance Fund	Other Governmental Funds	Total Governmental Funds
Cash	$ 3,184,067	$ -	$ 474,018	$ 172,802	$ 2	$ 2,062,688	$ 5,893,577
Investments	58,541,960	945,329	17,445,982	14,545,240	14,419,887	13,525,898	119,424,296
Receivables (net of allowances for uncollectible of $434,681):							
Taxes	2,536,480	68,388	-	-	382,999	1,148,990	4,136,857
Accounts	974,811	-	96,115	-	-	251,519	1,322,445
Interest	53,751	-	1,049	14,706	4,239	3,070	76,815
Due from Other Funds	9,811	-	-	-	-		9,811
Prepaid Items	203,857	-	-	-	-	3,929	207,786
Total Assets	$ 65,504,737	$ 1,013,717	$ 18,017,164	$ 14,732,748	$ 14,807,127	$ 16,996,094	$ 131,071,587
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
Liabilities:							
Accounts Payable	$ 6,544,381	$ 1,648	$ 365,583	$ 2,695,971	$ 74,377	$ 1,152,425	$ 10,834,385
Accrued Liabilities	449,176	-		-	2	18,921	468,099
Due to Other Funds	-	5,329	-	-	-	4,482	9,811
Retainage Payable	-	-	769,127	993,438	329,499	300,873	2,392,937
Unearned Revenue	-	-	228,711	-	-	-	228,711
Total Liabilities	6,993,557	6,977	1,363,421	3,689,409	403,878	1,476,701	13,933,943
Deferred Inflows of Resources:							
Unavailable Revenue	1,100,978	72,668	1,188,375	-	-	153,200	2,515,221
Total Deferred Inflows of Resources	1,100,978	72,668	1,188,375	-	-	153,200	2,515,221
Fund Balances:							
Non Spendable	203,857	-	-	-	-	401,581	605,438
Restricted For:							
General Government	6,052,879	-	-	-	-	-	6,052,879
Public Safety	379,104	-	-	-	-	10,174,977	10,554,081
Culture and Recreation	10,507,021	-	-	-	-	430,224	10,937,245
Economic Development	-	-	-	-	-	8,785	8,785
Capital Projects	-	-	15,465,368	11,043,339	-	2,114,192	28,622,899
Debt Service	-	934,072	-	-	-	78,163	1,012,235
Committed For:							
Culture and Recreation	3,396,193	-	-	-	-	1,184,206	4,580,399
Economic Development	945,244	-	-	-	-	12,055	957,299
Public Works	356,844	-	-	-	14,403,249	962,010	15,722,103
Assigned For:							
Capital Projects	4,013,140	-	-	-	-	-	4,013,140
Unassigned	31,555,920	-	-	-	-	-	31,555,920
Total Fund Balances	57,410,202	934,072	15,465,368	11,043,339	14,403,249	15,366,193	114,622,423
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 65,504,737	$ 1,013,717	$ 18,017,164	$ 14,732,748	$ 14,807,127	$ 16,996,094	$ 131,071,587

The accompanying notes to financial statements are an integral part of this statement.

CITY OF COPPELL, TEXAS
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2016

Total fund balance - per balance sheet			$ 114,622,423
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			269,239,955
Equity investment in Joint Venture is not a current financial resource and therefore are not reported in the governmental funds balance sheet.			840,562
Other long-term assets are not available to pay for current-period expenditures, and, therefore, are reported as unavailable revenue in the funds.			
Ambulance Receivable, net of allowance for doubtful accounts	$ 261,511		
Cemetery	153,200		
Property Taxes	264,678		
Construction Inspection Fees	149,667		829,056
Internal service funds are used by management to account for capital replacement and the self-funded health program provided by the City to its employees at no cost to the employees, and to their dependents, on a subsidized cost basis. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.			1,903,892
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.			
Bonds payable		(100,345,000)	
Premium (to be amortized as interest expense)		(5,754,194)	
Deferred charges from refunding		1,809,469	
Accrued interest payable		(642,321)	
Compensated absences		(3,108,442)	
Net pension liability		(20,040,252)	
Deferred Outflow - Pension Contributions		2,854,154	
Deferred Outflow - Pension Investment		6,520,070	
Deferred Outflow - Pension Experience		792,390	
Deferred Inflow - Pension Experience		(251,854)	
Deferred Inflow - Pension Assumptions		(409,135)	
Other post-employment liability		(892,933)	(119,468,048)
Total net position - governmental activities			$ 267,967,840

The notes to the financial statements are an integral part of this statement.

CITY OF COPPELL, TEXAS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	General	General Obligation	Capital Project Funds Streets	Capital Project Recreation Development	Infrastructure Maintenance Fund	Other Governmental Funds	Total Governmental Funds
REVENUES:							
Taxes, Penalties and Interest	$ 47,302,860	$ 8,463,178	$ -	$ -	$ 4,664,313	$ 13,944,527	$ 74,374,878
Licenses, Fees and Permits	2,552,730	-	-	-	-	389,912	2,942,642
Intergovernmental	21,520	-	3,318,234	-	-	6,732	3,346,486
Charges for Services	4,074,572	-	-	-	-	656,329	4,730,901
Fines and Forfeitures	1,199,787	-	-	-	-	486,557	1,686,344
Interest Income	231,628	4,622	32,588	83,903	49,324	49,049	451,114
Contributions	-	-	-	-	-	29,312	29,312
Miscellaneous	499,502	-	-	-	-	46,667	546,169
Total Revenues	55,882,599	8,467,800	3,350,822	83,903	4,713,637	15,609,085	88,107,846
EXPENDITURES:							
Current							
General Government	9,344,358	-	-	-	-	500	9,344,858
Public Safety	20,857,320	-	-	-	-	3,176,603	24,033,923
Public Works	6,518,869	-	-	-	5,894,367	219,450	12,632,686
Culture and Recreation	10,393,063	-	-	-	-	1,502,586	11,895,649
Debt Service							
Principal Retirement	-	6,160,000	-	-	-	650,000	6,810,000
Interest and Fiscal Charges	-	2,309,731	-	-	-	1,299,343	3,609,074
Bond Issuance Costs	-	93,856	-	-	-	750	94,606
Capital Outlay	4,441,654	-	8,603,995	20,604,367	-	11,628,806	45,278,822
Total Expenditures	51,555,264	8,563,587	8,603,995	20,604,367	5,894,367	18,478,038	113,699,618
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,327,335	(95,787)	(5,253,173)	(20,520,464)	(1,180,730)	(2,868,953)	(25,591,772)
OTHER FINANCING SOURCES (USES):							
Transfers In	2,505,536	274	-	1,000,000	2,770,500	2,723,970	9,000,280
Transfers Out	(5,358,440)	-	-	-	(818,000)	(3,247,014)	(9,423,454)
Issuance of Refunding Bonds	-	4,405,000	-	-	-	-	4,405,000
Issuance of General Obligation Debt	-	-	10,680,000	-	-	-	10,680,000
Premium on GO Bonds Issued	-	-	975,886	-	-	-	975,886
Premium on Refunding Bonds Issued	-	275,168	-	-	-	-	275,168
Payment to Refunded Bond Escrow Agent	-	(4,582,327)	-	-	-	-	(4,582,327)
Proceeds from Sale of Capital Assets	346,492	-	-	-	-	290,563	637,055
Total Other Financing Sources (Uses)	(2,506,412)	98,115	11,655,886	1,000,000	1,952,500	(232,481)	11,967,608
Net Change in Fund Balance	1,820,923	2,328	6,402,713	(19,520,464)	771,770	(3,101,434)	(13,624,164)
FUND BALANCES - October 1	55,589,279	931,744	9,062,655	30,563,803	13,631,479	18,467,627	128,246,587
FUND BALANCES - September 30	$ 57,410,202	$ 934,072	$ 15,465,368	$ 11,043,339	$ 14,403,249	$ 15,366,193	$ 114,622,423

The accompanying notes to financial statements are an integral part of this statement.

CITY OF COPPELL
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2016

Net change in fund balances-total governmental funds		$ (13,624,164)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded by depreciation in the current period.		
Capital asset and Joint Venture additions	44,832,647	
Sale of land to Economic Development Foundation (blended component unit)	290,563	
Reclassified to bond issuance costs	155,612	
Capital outlay	45,278,822	
Depreciation	(12,225,621)	33,053,201
The net effect of various miscellaneous transactions involving capital assets (i.e. sales and donations) is to increase net assets.		
Proceeds from the sale of capital assets	(346,492)	
Sale of land to Economic Development Foundation (blended component unit)	(290,563)	
Gain on disposal of capital assets	107,913	
Donation of infrastructure	364,611	(164,531)
The governmental funds report bond proceeds as an other financing source, while repayment of bond principal is reported as an expenditure. Also, governmental funds report the effect of premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, interest expense is recognized as it accrues, regardless of when it is due. This amount is the net effect of these differences in the treatment of general obligation bonds and related items.		
Bonds issued	(15,085,000)	
Premium on bonds issued	(1,251,054)	
Payment to Refunded Bond Escrow Agent	4,582,327	
Reclassified Bond Issue Costs	(155,613)	
Bond principal retirement	6,810,000	
Amortization of bond premiums / discounts	327,664	
Amortization of deferred charges on refundings	(139,525)	(4,911,201)
Accrued interest expense on long-term debt is reported in the government-wide statement of activities, but does not require the use of current financial resources; therefore, accrued interest expense is not reported as expenditures in governmental funds. Change in accrued interest.		(28,140)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds.		(152,503)
In the statement of activities, certain operating expenses are measured by the amounts earned during the year. In the governmental funds, however, expenditures for this item is measured by the amount of financial resources used (essentially, the amounts actually paid).		
Compensated absences	(258,956)	
Pension	(1,411,458)	
Other post-employment benefits	11,770	(1,658,644)
Internal service funds are used by management to account for the costs of health claims. The net income of internal service funds is reported with governmental activities.		900,724
Change in net position of governmental activities		$ 13,414,742

The notes to the financial statements are an integral part of this statement.

CITY OF COPPELL, TEXAS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR YEAR ENDED SEPTEMBER 30, 2016

	Budget Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES:				
Taxes, Penalties and Interest	$ 45,310,408	$ 46,607,173	$ 47,302,860	$ 695,687
Licenses, Fees and Permits	1,934,000	2,327,002	2,552,730	225,728
Intergovernmental	-	-	21,520	21,520
Charges for Services	4,644,000	4,126,000	4,074,572	(51,428)
Fines and Forfeitures	1,002,000	1,202,000	1,199,787	(2,213)
Interest Income	55,200	176,200	231,628	55,428
Miscellaneous	443,570	622,041	499,502	(122,539)
Total Revenues	53,389,178	55,060,416	55,882,599	822,183
EXPENDITURES:				
General Government	10,848,509	10,693,111	9,344,358	1,348,753
Public Safety	20,789,449	20,966,273	20,857,320	108,953
Public Works	6,970,857	7,183,274	6,518,869	664,405
Culture and Recreation	10,384,691	10,790,267	10,393,063	397,204
Capital Outlay	3,851,900	4,835,650	4,441,654	393,996
Total Expenditures	52,845,406	54,468,575	51,555,264	2,913,311
Excess (Deficiency) of Revenues Over (Under) Expenditures	543,772	591,841	4,327,335	3,735,494
OTHER FINANCING SOURCES (USES):				
Transfers In	2,384,177	2,505,536	2,505,536	-
Transfers Out	(3,263,763)	(5,250,079)	(5,358,440)	(108,361)
Proceeds from Sale of Capital Assets	-	486,002	346,492	(139,510)
Total Other Financing Sources (Uses)	(879,586)	(2,258,541)	(2,506,412)	(247,871)
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(335,814)	(1,666,700)	1,820,923	3,487,623
FUND BALANCES - October 1	55,589,279	55,589,279	55,589,279	-
FUND BALANCES - September 30	$ 55,253,465	$ 53,922,579	$ 57,410,202	$ 3,487,623

The accompanying notes to financial statements are an integral part of this statement.

CITY OF COPPELL, TEXAS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
INFRASTRUCTURE MAINTENANCE SPECIAL REVENUE FUND
FOR YEAR ENDED SEPTEMBER 30, 2016

	Infrastructure Maintenance			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Taxes, Penalties and Interest	$ 4,380,980	$ 4,572,322	$ 4,664,313	$ 91,991
Interest Income	9,000	32,000	49,324	17,324
Total Revenues	4,389,980	4,604,322	4,713,637	109,315
EXPENDITURES:				
Current				
Public Works	8,913,940	10,444,246	5,894,367	4,549,879
Capital Outlay	-	(1,116,600)	-	(1,116,600)
Total Expenditures	8,913,940	9,327,646	5,894,367	3,433,279
Deficiency of Revenues Under Expenditures	(4,523,960)	(4,723,324)	(1,180,730)	3,542,594
OTHER FINANCING SOURCES (USES):				
Transfer In	2,770,500	2,770,500	2,770,500	-
Transfer Out	-	(818,000)	(818,000)	-
Total Other Financing Sources (USES)	2,770,500	1,952,500	1,952,500	-
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(1,753,460)	(2,770,824)	771,770	3,542,594
FUND BALANCES, October 1	13,631,479	13,631,479	13,631,479	-
FUND BALANCES, September 30	$ 11,878,019	$ 10,860,655	$ 14,403,249	$ 3,542,594

CITY OF COPPELL, TEXAS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2016

	Business-type Activities Enterprise Fund	
	Water and Sewer	Governmental Activities - Internal Service Funds
ASSETS		
Current assets:		
Cash	$ 114,545	$ 1,309,174
Investments	8,611,672	1,016,409
Receivables (Net of Allowance for Uncollectibles of $192,556):		
Accounts	2,424,110	84,307
Interest	6,043	-
Other	348,448	-
Due From Other Funds	-	56,514
Prepaid Items	733,416	-
Inventory	223,880	-
Total current assets	12,462,114	2,466,404
Noncurrent assets:		
Restricted Assets:		
Cash	46,539	-
Investments	1,169,000	-
Capital Assets (Net of Accumulated Depreciation)	51,015,535	-
Total noncurrent assets	52,231,074	-
Total Assets	64,693,188	2,466,404
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflow - Related to Pension	436,046	-
Deferred Charge on Refunding	79,961	-
Total Deferred Outflows of Resources	516,007	-
LIABILITIES		
Current liabilities:		
Accounts Payable	1,381,449	48,780
Accrued Liabilities	18,408	-
Claims Liability	-	523,717
Compensated Absences	57,046	-
Accrued Interest	2,671	-
Bonds Payable	360,000	-
Total current liabilities	1,819,574	572,497
Noncurrent liabilities:		
Payable From Restricted Assets:		
Deposits	504,880	-
Bonds Payable	95,000	-
Net Pension Liability	900,450	-
Compensated Absences	11,248	-
Total noncurrent liabilities	1,511,578	-
Total Liabilities	3,331,152	572,497
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflow - Related to Pension	29,700	-
Total Deferred Inflows of Resources	29,700	-
NET POSITION		
Net investment in capital assets	50,640,496	-
Unrestricted	11,207,847	1,893,907
	$ 61,848,343	$ 1,893,907
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise fund	(9,985)	
Net position of business-type activities	$ 61,838,358	

The accompanying notes to financial statements are an integral part of this statement.

CITY OF COPPELL, TEXAS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Business-type Activities Enterprise Fund	
	Water and Sewer	Governmental Activities - Internal Service Funds
OPERATING REVENUES:		
Water and Sewer Sales	$ 14,319,323	$ -
Water and Sewer Connection Fees	23,980	-
City and Employee Contributions	-	5,417,432
Miscellaneous	380,390	-
Total Operating Revenues	14,723,693	5,417,432
OPERATING EXPENSES:		
Purchase of Water	5,893,822	-
Purchase of Sewer Treatment	3,673,477	-
Salaries and Wages	1,561,496	-
Supplies and Services	3,210,191	-
Claims	-	4,015,995
Contractual Services and Charges	-	676,391
Wellness Program	-	246,905
Depreciation	2,607,406	-
Total Operating Expenses	16,946,392	4,939,291
Operating Income(Loss)	(2,222,699)	478,141
NON-OPERATING REVENUES (EXPENSES):		
Interest Income	192,447	5,632
Interest Expense and Fiscal Charges	(41,664)	-
Gain on Sale of Capital Assets	8,131	-
Impact and Availability Fees	308,511	-
Net Non-operating Revenues	467,425	5,632
Income(Loss) Before Transfers and Capital Contributions	(1,755,274)	483,773
TRANSFERS:		
Transfers Out	(21,498)	-
Transfers In	-	444,672
Total Transfers	(21,498)	444,672
Capital Contributions	79,846	-
Change in Net Position	(1,696,926)	928,445
Net Position - October 1	63,545,269	965,462
Total Net Position - September 30	$ 61,848,343	$ 1,893,907
Changes in Net Position	$ (1,696,926)	
Adjustment to reflect the consolidation of internal service fund activities related to Enterprise Fund	27,721	
Change in net position of business-type activities	$ (1,669,205)	

The accompanying notes to financial statements are an integral part of this statement.

CITY OF COPPELL, TEXAS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Business-type Activities Enterprise Fund	
	Water and Sewer	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Customers	$ 14,959,081	$ -
Cash Received from City and Employee Contributions	-	5,516,169
Cash Paid to Suppliers	(13,075,629)	-
Cash Paid to Employees	(1,206,819)	-
Cash Payments for Claims	-	(4,309,552)
Cash Payments for Contractual Services and Charges	-	(676,391)
Cash Payments for Wellness Program	-	(270,581)
Net Cash Provided by Operating Activities	676,633	259,645
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers from Other Funds	-	444,672
Transfers to Other Funds	(21,498)	-
Due from Other Funds	-	(56,514)
Net Cash (Used in) Provided by Noncapital Financing Activities	(21,498)	388,158
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and Construction of Capital Assets	(863,710)	-
Disposition of Capital Assets	8,131	-
Principal Payments on Long Term Obligations	(350,000)	-
Interest Paid	(18,459)	-
Water and Sewer Impact Fees Collected	308,511	-
Net Cash Used in Capital and Related Financing Activities	(915,527)	-
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from Maturities of Investments	3,002,720	495,259
Purchase of Investments	(2,243,969)	-
Interest Received	187,393	6,139
Net Cash Provided by Investing Activities	946,144	501,398
Net Increase in Cash and Investments	685,752	1,149,201
Cash and Investments at the Beginning of the Year	4,219,954	1,176,382
Cash and Investments at the End of the Year	$ 4,905,706	$ 2,325,583
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Income(Loss)	$ (2,222,699)	$ 478,141
Adjustments to Reconcile Operating Income(Loss) to Net Cash provided by Operating Activities:		
Depreciation	2,607,408	-
Provision for Doubtful Accounts	54,859	-
Decrease in Receivables	180,530	98,737
Increase in Prepaid Expenses	(266,719)	-
Increase in Inventory	(80,961)	-
Decrease in Deferred Outflows	13,167	-
Increase(Decrease) in Accounts Payables	61,283	(23,676)
Increase in Deferred Inflows	15,090	-
Decrease in Deposits	(11,745)	-
Decrease in Unpaid Claims	-	(293,557)
Decrease in Compensated Absences	(9,253)	-
Increase in Net Pension Liability	335,673	-
Net Cash Provided by Operating Activities	$ 676,633	$ 259,645
RECONCILIATION OF CASH AND INVESTMENTS TO THE STATEMENT OF NET POSITION:		
Cash	114,545	1,309,174
Restricted Cash	46,539	-
Investments (TexPool & TexStar Only)	4,744,622	1,016,409
Total	$ 4,905,706	$ 2,325,583
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:		
Capital Asset Contributions from Developers	$ 79,846	$ -

The accompanying notes to financial statements are an integral part of this statement.

CITY OF COPPELL, TEXAS

STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2016

	Private-purpose Trust	Agency Funds
ASSETS		
Cash --Money Market	$ 126,034	$ -
Investments With Fiscal Agents	-	881,380
Accounts Receivable	1,871	-
Interest Receivable	-	159
Total Assets	$ 127,905	$ 881,539
LIABILITIES		
Accounts Payable	$ 1,350	$ -
Due to Other Funds	-	56,514
Due to Members	-	825,025
Deposits	126,555	-
Total Liabilities	$ 127,905	$ 881,539
NET POSITION		
Held in Trust	-	
Total Net Position	$ -	

The accompanying notes to financial statements are an integral part of this statement.

CITY OF COPPELL, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Private-purpose Trust
ADDITIONS	
Interest Income	$ -
Total Additions	-
DEDUCTIONS	
Interest and Fiscal Charges	-
Total Deductions	-
Net Additions(deductions)	-
Total Net Position - October 1	-
Total Net Position - Septermber 30	$ -

The accompanying notes to financial statements are an integral part of this statement.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Coppell, Texas (City) was incorporated in 1955 and adopted its present charter in 1986 under the provision of Act 279, P.A. 1909, as amended (Home Rule City Act). The charter was amended in August 2001. The City operates under a Council-Manager form of government and provides the following services as authorized by its charter: Public Safety - Police and Fire, Highways and Streets, Sanitation, Health and Social Services, Culture and Recreation, Public Improvements, Planning and Zoning and General Administrative Services.

The accounting policies of the City conform to accounting policies generally accepted in the United States of America (US GAAP) for local governments as prescribed by the Governmental Accounting Standards Board (GASB). GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the City are described below:

A. Reporting Entity

As required by US GAAP, these financial statements present the City and its component units, which are controlled by the elected officials of the City and for which the City is considered to be financially accountable. The "reporting entity" is the primary government and those component units for which the primary government is financially accountable. (Financial accountability is defined as the appointment of a voting majority of the component unit's board and the ability to either impose will by the primary government or the possibility that the component government will provide a benefit or impose a financial burden to the primary government.) A "blended component unit", although a legally separate entity, is in substance part of the City's operations and this unit is therefore combined with data of the City. A "discretely presented component unit" is presented in a separate column of the Government-wide Financial Statements to emphasize it is legally separate.

Blended Component Units

The Coppell Recreation Development Corporation (CRDC) was formed to plan, design and construct recreational facilities and improvements within the City using proceeds from a special 4(B) Sales Tax approved by the voters. The Corporation is organized exclusively to act on behalf of the City for financing, development and operation of recreation properties. The affairs of the Corporation are managed by a seven member board of directors, which is appointed by the City Council. The annual corporate budget and issuance of debt must be approved by the City Council. Since the CRDC's Board of Directors is appointed by City Council, City management has operational responsibility for the CRDC, and the CRDC exclusively, or almost exclusively, benefits the City, the CRDC is considered a blended component unit and financial transactions are reflected in two special revenue funds, a capital project fund and a debt service fund. Separate financial statements for the CRDC are not available.

The Coppell Economic Development Foundation (CEDF) was formed to promote economic development and business opportunities within the City by developing capital assets that are owned by the City of Coppell using proceeds transferred from the City to the CEDF which are approved by Council. For example, the City owns historical buildings that the CEDF has relocated and revitalized for community use. Since the CEDF's Board of Directors is appointed by the City Council, its projects are intended to benefit the City, and the City Council has ultimate authority and approval of its projects and funding, the CEDF is

considered a blended component unit of the City and financial transactions are reflected in a special revenue fund. Separate financial statements for the CEDF are not available.

Discretely Presented Component Units

The City Council approved the creation of two discretely presented component units during fiscal year ending September 30, 2001.

The Coppell Health Facilities Development Corporation was created for the purpose of providing a financial vehicle to provide tax-free bonds to qualified private health care providers. The Board of the Health Facilities Development Corporation is comprised of five members who are appointed by the City Council. Two of the current five members are from the City Council. No financial balances existed or financial activity occurred during the fiscal year ending September 30, 2016. Therefore, a separate column is not included in the Government-wide Financial Statements, and separate financial statements are not available.

The Coppell Education Development Corporation was created to finance programs to publicly funded institutions for the promotion of literacy, foreign language, and career technology for a skilled workforce as authorized by Section 379A of the Texas Government Code through sales tax. The Board of the Education Development Corporation consists of seven members. All members are appointed by the City Council. No financial balances existed or financial activity occurred during the fiscal year ending September 30, 2016. Therefore, a separate column is not included in the Government-wide Financial Statements, and separate financial statements are not available.

B. Implementation of New Accounting Principles

The City implemented GASB Statements No. 72, No. 73, No.76 and No. 79 during fiscal year 2016.

GASB Statement No. 72, *Fair Value Measurement and Application.* Requires the City to use valuation techniques which are appropriate under the circumstances and are either a market approach, a cost approach or an income approach. Statement No. 72 establishes a hierarchy of inputs used to measure fair value consisting of three levels. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs, such as management's assumption of the default rate among underlying mortgages of a mortgage-backed security. Statement No. 72 also contains note disclosure requirements regarding the hierarchy of valuation inputs and valuation techniques that was used for the fair value measurements. There was no material impact on the City's financial statement as a result of the implementation of Statement No. 72. All required disclosures were added to Notes 3.

GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68.* This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement No. 68. It also amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement No. 68 for pension plans and pensions that are within their respective scopes. There was no impact to the City's financial reporting as a result of the implementation of GASB 73.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. This Statement updates the hierarchy and sources of accounting principles used to prepare financial statements of state and local governmental entities. It will allow for broader public input on implementation guidance, help with selection of accounting treatments, and allow for less variation,

which in turn should enhance comparability of financial statement information among governments. There was no impact to the City's financial reporting as a result of the implementation of GASB 76.

GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. This Statement permits qualifying external investment pools to measure pool investments at amortized cost for financial reporting purposes, and establishes additional note disclosure requirements for qualifying pools and for governments that participate in those pools. There was no material impact on the City's financial statement as a result of the implementation of Statement No. 79.

The City is currently analyzing the impact of implementing the following statements on future financial statements of the City as these statements are not yet effective.

GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. This Statement replaces Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended*, and Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, as amended*, Statement No. 43, and Statement No. 50, *Pension Disclosures*. GASB Statement No. 74 establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB, as well as for certain nonemployer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities. This statement will become effective for the City in fiscal year 2017. Management has not yet determined the effect of this statement on the financial statements.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended*, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. This statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This statement will become effective for the City in fiscal year 2018. Management has not yet determined the effect of this statement on the financial statements.

GASB Statement No. 77, *Tax Abatement Disclosures*. Requirements of this Statement will make the nature and magnitude of tax abatements more consistently and comprehensively reported. The effects on tax revenues of a government will be disclosed, both from its own tax abatement agreements and those entered into by other governments. This statement will become effective for the City in fiscal year 2017. Management has not yet determined the effect of this statement on the financial statements.

GASB Statement No. 80, *Blending Requirements for Certain Component Units*. Requirements of this Statement will amend the blending requirements for financial statement presentation of component units of all state and local governments. The additional criterial requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. This statement will become effective for the City in fiscal year 2017. Management has determined that this statement is not applicable and has no effect on the City's financial statements.

GASB Statement No. 81, *Irrevocable Split-Interest Agreements*. This Statement improves accounting and financial reporting by providing recognition and measurement guidance for situations in which a government is a beneficiary of a split-interest agreement. This statement will become effective for the City in fiscal year 2018. Management has not yet determined the effect of this statement on the City's financial statements.

GASB Statement No. 82, *Pension Issues – An Amendment of GASB Statements No. 67, No. 68, and No. 73*. This Statement will address issues regarding (1) the presentation of payroll-related measures in required

supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. This statement will become effective for the City in fiscal year 2017. Management has not yet determined the effect of this statement on the City's financial statements.

C. Basis of Presentation

Government-wide

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its component units. Government-wide financial statements do not include fiduciary funds. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The focus is either the City as a whole or major individual funds (within the fund financial statements).

The government-wide Statement of Activities demonstrates the degree to which the direct expenses of a functional category (Public Safety, Public Works, etc.) or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, 2) grants and contributions that are restricted to meeting the operational requirements of a particular function or segment and 3) grants and contributions that are restricted to meeting the capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The net cost of governmental and business-type activities (by function) is normally covered by general revenue (property, sales, franchise taxes, interest income, etc.).

Fund

Separate fund based financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The major governmental funds are the General Fund, General Obligation Debt Service Fund, Streets Capital Projects Fund, Recreation Development Capital Projects Fund and Infrastructure Maintenance Special Revenue Fund. The major enterprise fund is the Water and Sewer Fund. The non-major funds are combined in a separate column in the fund financial statements. The non-major funds are detailed in the combining section of the statements.

Internal service funds, which traditionally provide services primarily to other funds of the government, are presented in the summary form as part of the proprietary fund financial statements. Because the principal users of the internal services are the City's governmental activities, financial statements of internal service funds are consolidated into the governmental activities when presented in the government-wide financial statements. To the extent possible, the cost of these services is reflected in the appropriate functional activity (Public Safety, Public Works, etc.).

The City's fiduciary funds are presented in the fund financial statements. Since, by definition, these assets are being held for the benefit of a third party (other local governments, individuals, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the

government-wide financial statements. The fiduciary funds of the City are a private-purpose trust and agency funds.

The government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the major individual funds of the governmental and business-type categories, as well as the fiduciary funds (by category), and the component units. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

D. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Fiduciary funds are used to report assets held in a trustee or agency capacity for others. Trust funds employ the same economic resources measurement focus and the accrual basis of accounting as the government-wide financial statements and proprietary fund type. Agency funds have no measurement focus as these funds are custodial in nature and do not involve the measurement of results of operations. Thus, agency funds have only assets and liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual, that is, when they are both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current period. Therefore, revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the obligation has matured and is due and payable shortly after year end.

The revenues susceptible to accrual are Ad valorem, franchise and sales tax revenues. Licenses and permits, charges for services, fines and forfeitures, contributions, and miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash. Investment earnings are recorded as earned since they are measurable and available.

The City reports unavailable revenue in its governmental funds. Unavailable revenue arises when potential revenue does not meet the "available" criteria for recognition in the current period. Unearned revenue arises when the City receives resources before it has a legal claim to them such as when grant monies are received prior to the incidence of qualifying expenditures. Revenue is recognized in subsequent periods, when the "available" recognition criteria is met or when the City has a legal claim to the resources.

Business type activities and all proprietary funds are reported using the economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the Statement of Net Position. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net position. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's Water and Sewer Fund are charges to customers for sales and services. Operating expenses for the enterprise fund and internal

service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City reports the following major funds:

1. *Governmental Funds:* The focus of governmental fund measurement (in the fund financial statements) is financial position and changes in financial position (sources, uses, and balances of financial resources) rather than net income. The following is a description of the major governmental funds of the City:

    a. *General Fund* is the main operating fund of the City. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

    b. *General Obligation Debt Service Fund* is used to account for the accumulation of financial resources for the payment of principal, interest and related costs on general long-term debt paid primarily from taxes levied by the City. The fund balance of the General Obligation Debt Service Fund is restricted exclusively for debt service expenditures.

    c. *Streets Capital Projects Fund* accounts for funds received and expended for the construction and renovation of thoroughfares, arterial streets and drainage improvements in the City. Funds are provided primarily through bond sales, paving assessments and interest earnings.

    d. *Recreation Development Capital Projects Fund* accounts for funds received and expended for construction and renovation of parks, trails, library, and other recreational projects. Funds are provided primarily through bond issuance and interest earnings.

    e. *Infrastructure Maintenance Special Revenue Fund* Accounts for revenues that are restricted for future maintenance of the City's Infrastructure.

2. *Proprietary Funds:* The accounting objectives are the determination of operating income, changes in net position, financial position, and cash flows. The following is a description of the major proprietary fund of the City:

    a. Water and Sewer Fund accounts for the operation of the City's water and sewer utility. Activities of the Fund include administration, operation and maintenance of the water and sewer system and billing and collection activities. The Fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for revenue bonds and obligations under capital leases when due throughout the year. All costs are financed through charges made to utility customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the Fund.

The City additionally reports for the following fund types:

1. *Internal Service Funds* are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, generally on a cost reimbursement basis. One internal service fund reported by the City of Coppell is used to account for the self-funded health program provided by the City to its employees at no cost to the employees, and to their dependents on a subsidized cost basis. The other internal service fund reported by the City of Coppell is used to accumulate funds and reimburse costs of capital replacement.

2. A *Permanent Fund* is used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used to support programs of the City. The permanent fund reported by the City of Coppell is used to account for the assets and earnings used to support the operations and maintenance of the Rolling Oaks Cemetery.

3. A *Private-Purpose Trust Fund* is used to account for trust arrangements under which principal and income benefit individuals, private organizations, or other governments. The Private-Purpose Trust Fund reported by the City of Coppell is used to account for preneed interment and memorial arrangements made through the Rolling Oaks Cemetery.

4. *Agency Funds* are used to account for assets held by the City in an agency capacity for individuals, local law enforcement agencies or developers. The City has two Agency Funds. The Coppell Independent School District Fund is used to account for property taxes collected by the City on behalf of the School District. The Health Reimbursement Arrangement Fund is used to account for contributions and disbursements on behalf of members of the Health Reimbursement Arrangement.

E. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations, is employed as an extension of formal budgetary integration in the General, special revenue, and debt service funds.

F. Deposits and Investments

The City maintains a cash and investment pool for the purpose of increasing income through investment activities. Investments are recorded at fair value (based on quoted market prices), except for investments with maturity of one year or less from date of purchase, which are stated at amortized cost, and except for the position in TexPool and TexStar. As of September 30, 2016, all investments held by the City had a remaining maturity at the time of purchase of one year or less and accordingly are carried at amortized cost. The City intends to hold the investments until maturity. Fair value analysis is performed monthly and any significant losses are evaluated.

The Legislature for the State of Texas has enacted and regularly amends the Public Funds Investment Act ("Investment Act") that governs items such as investment strategies and policies, training for investment officers, quarterly reporting, and types of investments allowed. The City has developed an Investment Policy that is annually reviewed and approved through resolution by the City Council. This investment policy is in compliance with the Investment Act. Accordingly, the City is authorized to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies and instrumentalities; (3) obligations of state agencies, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than "A" or its equivalent, and other obligations, the principal and interest of which are unconditionally guaranteed or insured by the State of Texas, or the United States, or its instrumentalities; (4) Certificates of

Deposit issued by state or national banks and credit unions domiciled in Texas that are guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, or secured by obligations mentioned above; (5) fully collateralized direct repurchase agreements having a defined termination date secured by obligations of the United States or its agencies and instrumentalities; (6) no-load money market mutual funds, regulated by the Securities and Exchange Commission (SEC), with a dollar-weighted average stated maturity of 90 days or fewer, and includes in its investment objectives the maintenance of a stable net asset value of $1 for each share (7) no-load mutual funds that are registered with the SEC, having an average weighted maturity of less than two years and are invested or secured in obligations described above and the fund must maintain a rating of AAA or its equivalent by at least one nationally recognized rating firm. The City is not authorized by its investment policy to invest in banker's acceptances, "bond" mutual funds, collateralized mortgage obligations of any type, or commercial paper.

Investment activities are conducted through the depository bank. The City's safekeeping agent holds all securities in the City's name.

For the year ended September 30, 2016, the City invested in U.S. Agencies, TexPool, and TexSTAR. The City records all interest revenue related to investment activities in the respective funds.

TexPool and TexSTAR are external investment pools that were created to conform to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. As local government investment funds, TexSTAR and TexPool are exempted from SEC registration and the requirements of Rule 2a-7 pertaining to registered money market funds; however, consistent with Rule 2a-7, they seek to maintain stable net asset value of $1.00 per unit. TexPool and TexStar use amortized cost to value portfolio assets and follow the critieria for GASB Statement No. 79 for use of amortized cost.

For TexPool, the State Comptroller of Public Accounts (the Comptroller) is the sole officer, director and shareholder of the Texas Treasury Safekeeping Trust Company ("Trust Company"), which is authorized to operate TexPool. Pursuant to the TexPool participation agreement, administrative and investment services to TexPool are provided by Federated Investors. The Comptroller maintains oversight of the services provided by TexPool. The TexPool Advisory Board, composed equally of participants in TexPool and other persons who do not have a business relationship with TexPool, acts as advisor on TexPool Investment Policy.

JPMorgan Fleming Asset Management (USA), Inc. ("JPMFAM") and First Southwest Asset Management, Inc. ("FSAM") serve as co-administrators for TexSTAR under an agreement with the TexSTAR board of directors (the "Board.") The Board is composed of five members, three are representatives of participants in TexSTAR and the other two members are designated by each of the co-administrators. The Board manages the business and affairs of TexSTAR in accordance with its bylaws.

G. Cash and Cash Equivalents

Cash includes cash on hand, demand deposits, and escrow cash with fiscal agent. For purposes of the Statement of Cash Flows, the City also considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents; this includes investments in TexPool and TexSTAR. All cash and investments in TexPool and TexSTAR of the proprietary funds are pooled with the City's pooled cash and investments and are therefore considered cash equivalents.

H. Unbilled Services Receivable

Utility services revenue is recorded when earned. Customers are billed monthly. The estimated value of services provided, but unbilled at year-end, has been included in the accompanying financial statements.

I. Inventory and Prepaid Items

Inventory is valued at cost using the first in, first out method. Inventory in the Water and Sewer Fund consists of expendable supplies held for future consumption or capitalization. The cost is recorded as an expense in the period that inventory items are consumed.

Prepaid items are for payments made by the City in the current year to provide services occurring in the subsequent fiscal year. A nonspendable fund balance for prepaid items is recognized in the governmental funds financial statements to signify that a portion of fund balance is not available for other subsequent expenditures according to GASB Statement No. 54.

J. Restricted Assets

Restricted cash and investments on the Proprietary Statement of Net Position are restricted in the Water and Sewer Fund for customer deposits and the repayment of outstanding bonds.

K. Interfund Transactions and Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (the current portion of interfund loans) or "advances to/from other funds" (the non-current portion of interfund loans). Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All legally authorized transfers are appropriately treated as transfers and are included in the results of operations of both governmental and proprietary funds. Nonrecurring or non-routine transfers of equity between funds - for example, contribution of capital assets to a proprietary fund or transfers of residual balances of discontinued funds to other funds - are accounted for as transfers.

Salaries, wages and related payroll costs of personnel who perform administrative services for the Water and Sewer Fund and Recreation Development Corporation are paid through the General Fund. The City has recorded expenses for these administrative costs in the Water and Sewer Fund and Recreation Development Corporation Special Revenue Fund and recognized corresponding revenue in the General Fund.

L. Capital Assets

Property, plant and equipment purchased or acquired is carried at historical cost or estimated historical cost. Contributed capital assets are recorded at estimated fair market value at the time received. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year.

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight line method over the following estimated useful lives:

Capital Asset Classification	Useful Life in Years
Building and Improvements	50
Water and Sewer System	40
Vehicles, Machinery and Equipment	3 to 7
Furniture and fixtures	5
Drainage improvements	40
Streets	25
Parks	50

M. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The government has reported the deferred charge on refunding and pension related items as deferred outflows of resources in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows of resources related to the net pension liability are amortized according to GASB Statement No. 68.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has reported pension related items as deferred inflows of resources in the government-wide statement of net position. Deferred inflows of resources related to the net pension liability are amortized according to GASB Statement No. 68.

N. Compensated Absences

City employees are granted vacation and sick leave in varying amounts. Upon termination, an employee is reimbursed for accumulated vacation. Accumulated vacation is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

O. Other Post-Employment Benefits

The City provides post-employment healthcare benefits to all employees who retire from the City. All employees who are vested in the City's pension plan, Texas Municipal Retirement System, are eligible for these benefits with 20 years or more of service, regardless of age, or at age 60 and above. Coverage is also available to dependents and/or surviving spouses of retirees. Retirees are responsible for paying the full premium for healthcare benefits as the City does not subsidize retiree premiums. (See Note 13)

P. Property Tax

The City's property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the City. The property taxes attach as an enforceable lien on property as of January 1. Appraised values are established by the central appraisal districts at 100% of estimated market value and certified by the Appraisal Review Board. The assessed value for the tax roll on January 1, 2015, upon which the original fiscal year 2016 levy was based, was $6,230,716,425. Subsequent adjustments decreased this value to $6,175,597,975.

Taxes are due October 1 and become delinquent after the following January 31. Penalties and interest are charged at 7% on delinquent taxes beginning February 1, and increase each month to 18% on July 1. Property taxes at the fund level are recorded as receivables and unavailable revenues at the time the tax levy is billed. Current year revenues recognized are those ad valorem taxes collected within the current period or soon enough thereafter to pay current liabilities, generally sixty (60) days after year-end. Current tax collections for the year ended September 30, 2016, were 99.73% of the tax levy.

The statutes of the State of Texas do not prescribe a legal debt limit. However, Article XI, Section 5 of the

Texas Constitution applicable to cities with a population of more than 5,000 limits the ad valorem tax rate to $2.50 per $100 assessed valuation. For the year ended September 30, 2016, the City had a tax margin of $1.916 per $100 assessed valuation based upon the maximum rates prescribed by law.

In Texas, countywide central appraisal districts are required to assess all property within the appraisal district on the basis of 100% of its appraised value and are prohibited from applying any assessment ratios. The value of property within the appraisal district must be reviewed every three years; however, reviews of appraised values may be conducted more frequently. The City may challenge appraised values established by the appraisal district through various appeals, and if necessary, legal action. Under this system, the City sets tax rates on City property. However, if the effective tax rate, excluding tax rates for bonds and other contractual obligations, adjusted for new improvements, exceeds the rate for the previous year by more than 8%, qualified voters of the City may petition for an election to determine whether to limit the tax rate to no more than 8% above the tax rate of the previous year.

Q. Federal and State Grants

Federal grants consist of the Department of Justice Bulletproof Vest grant that is accounted for within the Other Governmental Funds (Police Special Revenue Fund) and Department of Public Safety grant that is accounted for a flood occurred in prior year. Total federal grant revenue received during the year ended September 30, 2016 was $25,438. In addition, the library received various state grants which are included in the Other Governmental Funds (Donations Special Revenue Fund). Grant revenues received for specific purposes are accounted for in a special revenue fund or a capital project fund.

R. Long-Term Debt

General Obligation Bonds issued for general government capital projects that are to be repaid from tax revenues of the City are recorded in the government-wide Statement of Net Position. Revenue bonds issued for Proprietary Fund assets that are to be repaid by the Proprietary Fund are recorded in the Proprietary Fund.

Bond premiums and discounts are deferred and amortized over the life of the related debt issues in the government-wide financial statements and the Proprietary Fund. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expended when incurred. In the governmental fund financial statements, bond premiums, discounts, and debt issuance costs incurred are expended when incurred.

S. Net Position

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any debt used for the acquisition, construction or improvements of those assets, net of debt related to any unspent proceeds.

T. Fund Balance

Stabilization Arrangement

The City Charter, as amended November 1995, created a stabilization arrangement of not less than ten percent of the proposed expenditures for the major operating funds. The major operating fund of the City is the General Fund. The City Charter may only be changed through an election, and therefore, the stabilization amount may not be spent without an election. The stabilization arrangement amount of $5,851,084 is classified as restricted fund balance in the General Fund.

Minimum Fund Balance Policy

It is the desire of the City to maintain adequate fund balance in the General Fund for liquidity and in anticipation of economic downturns or natural disasters. In addition to the stabilization arrangement established through the City Charter, the City Council has adopted a funding policy to maintain a fund balance in the General Fund of ten percent of the next year's budgeted expenditures plus 60 days of expenditures, which is estimated to be 15 percent of the next year's budgeted expenditures. If fund balance falls below the minimum target level because it has been used, essentially as a "revenue" source, as dictated by current circumstances, the policy provides for actions to replenish the amount to the minimum target level. Generally, replenishment is to occur within a two-year period. The stabilization arrangement and the funding policy create a minimum fund balance of 25 percent of the next year's budgeted expenditures.

U. Retirement Plan

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

V. Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

(2) STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Data

The City Charter contains the following requirements, which are adhered to by the City Council, regarding preparation of the annual budget:

• The City Manager, between 60 and 90 days prior to October 1st of each fiscal year, shall submit to the Council a proposed budget. Such budget shall provide a complete financial plan for the fiscal year.

• The City Manager submits the proposed budget to the City Council on August 5th of each year. City Management shall fix the time and place of a public hearing on the budget and shall cause to be published in the official newspaper of the City of Coppell, a notice of the hearing setting forth the time and place thereof at least eleven days before the date of such hearing. This hearing is held at the second Council meeting in August of each year.

• The budget shall be finally adopted no later than 15 days prior to the beginning of the fiscal year and should the City Council fail to so adopt a budget, the then existing budget together with its tax-levying ordinance and its appropriation ordinance, shall be deemed adopted for the ensuing fiscal year.

The City Council approves annual appropriations for operations and interfund transfers for the general fund, debt service funds, special revenue funds, and the permanent fund. The City Manager has the

authority to transfer unexpended balances between departmental budgets within appropriated funds. The City Council, however, must approve any increase in fund appropriations. The legal level of budgetary control is the fund level. During the year, appropriations are adjusted as a result of re-estimates by the departments. For budgetary purposes, unencumbered appropriations lapse at fiscal year-end. (See Encumbrances, discussed previously, regarding encumbered appropriations.)

The Budgetary Comparison Schedules present a comparison of budgetary data to actual results of operations for the General Fund. The same basis of accounting, accounting principles generally accepted in the United States of America (GAAP), is used for both budgetary purposes and actual results.

B. Supplemental Appropriations

The City Council made several supplemental appropriations throughout the year. Supplemental appropriations totaled $3,619,485 in the General Fund, $4,679,418 in the Debt Service Funds, $10,142,309 in the Special Revenue Funds, $407,216 in the Internal Service Funds and $406,915 in the Enterprise Fund for 2016. Included in the General Fund supplemental appropriation was funding to cover encumbrance carryovers, acquisition of computer software for Engineering, the ERP discovery project, the construction of the Joint Fire Training Facility, Life Safety Park project, repairs with the sprinkler systems at Fire Station #2 and the Arts Center, repair drainage issue at 265 Parkway and some humidity issues at the Justice Center, repairs at Wagon Wheel Park and Storm Drainage project also at Wagon Wheel. The Debt Service Funds supplemental appropriations were to reflect changes arising from the issuance of the 2016 General Obligation Refunding Bonds and Certified Obligation Bonds. The Special Revenue Funds supplemental appropriations included funding to cover encumbrance carryovers, construction agreements related to erosion control at Andy Brown East Park, flood study along Denton Creek, costs associated the Library, Arts Center and Animal Control, costs associated with the Joint Dispatch project and the transfer to CIP for the Police Department portion of the Life Safety Park construction. The supplemental appropriations in the Internal Service Funds was due to projection of higher claims activity. The Enterprise Fund supplemental appropriation included funding to cover encumbrance carryovers, an increase in the direct cost of sewer treated, increased credit card fees, and a reduction in costs for services provided through the General Fund.

C. Fund Deficits

No funds had fund deficits.

D. Excess of Expenditures over Appropriations

The expenditures of the Recreation Development Corporation #1 and Donation Special Revenue Funds exceeded appropriations by $9,758 and $301 respectively. The excess expenditures of the Recreation Development Corporation #1 Special Revenue Fund were funded primarily by other financing sources, partially by available fund balance, and partially by revenues that exceeded anticipated amounts.

E. Bond Requirements

The City believes it and its component units have complied with all significant bond requirements and restrictions as of September 30, 2016.

(3) DEPOSITS AND INVESTMENTS

Deposits – The City maintained the following deposit balances at September 30, 2016:

	Primary Government	
Financial Institution	Bank Balance	Book Balance
Frost Bank	$7,438,162	$7,357,235
Petty Cash	-	6,600
	$7,438,162	$7,363,835

Investments – The City categorizes is fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The City's investments by fair value level are classified in Level 2 of the fair value hierarchy which are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The City has no Level 1 investments which are valued using prices quoted in active markets for identical securities or Level 3 investments which are valued using significant unobservable inputs. As of September 30, 2016, the City had the following investments:

	Primary Government		
Investments by fair value level	**September 30, 2016**	**Fair Value-Level 2**	**Weighted Average Maturity (in days)**
Federal Home Loan Bank Notes	$ 24,838,120	$ 24,838,120	190
Federal Home Loan Mortgage Corporation	18,055,265	18,055,265	202
Federal Agricultural Mortgage Corporation	9,990,570	9,990,570	210
Federal National Mortgage Association	15,997,159	15,997,159	181
Federal Farm Credit Banks	1,496,501	1,496,501	200
	70,377,615	70,377,615	
Total Investments measured at NAV/amortized cost			
TexPool	28,021,672		44
TexStar	31,919,598		45
Total investments at NAV/amortized cost	$ 59,941,270		
Total Investments	$ 130,318,885		
Portfolio Weighted Average Maturity			194

Credit Risk – Investments. The City's investment policy requires that joint investment pools maintain a continuous rating no lower than AAA or AAA-M by at least one nationally recognized rating agency and that obligations of states, agencies, cities, or other political subdivisions of any state be rated no less than A or an equivalent rating by at least one nationally recognized rating agency. The City's investment policy has no other restrictions relating to credit ratings that would limit its investment options. Moody's has rated investments in U.S. Agencies as Aaa as of September 30, 2016. Standard & Poor's has rated investments in TexPool and TexSTAR as AAA-m as of September 30, 2016.

Custodial Credit Risk – Deposits. For deposits, custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy follows state statutes, which requires that all deposits in financial institutions be fully collateralized or insured. For investments, custodial credit risk is the risk that in the event of the failure of a counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that all investments held by outside parties for safekeeping be held in the

name of the City. The City was not exposed to any custodial credit risk at September 30, 2016.

Interest Rate Risk – Investments. In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to one year or less under normal market conditions, and the maximum final stated maturity of any investment shall not exceed five years. Investments in TexPool and TexSTAR are exempted from SEC registration and the requirements of Rule 2a-7 pertaining to registered money market funds; however, consistent with Rule 2a-7, they seek to maintain stable net asset value of $1.00 per unit and are not subject to interest rate risk.

Concentration of Credit Risk – Investments. The City's investment policy states that investments in local government investment pools shall be limited to fifty percent (50%) of the City's entire cash in bank and investment portfolio, with no more than twenty-five percent (25%) of the entire portfolio invested in any one authorized pool. In addition, investments in mutual funds shall be limited to 10% of the City's monthly fund balance, excluding bond proceeds and reserves and other funds held for debt service. At September 30, 2016, the City's investments are in Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Federal Agricultural Mortgage Corporation, Federal National Mortgage Association, Federal Farm Credit Banks, TexPool, and TexSTAR. These investments are 19%, 14%, 8%, 12%, 1%, 22% and 24% respectively, of the City's total investments.

(4) CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2016 is summarized below:

Primary Government:

Governmental activities	Balance October 1, 2015	Additions	Transfers	Retirements	Balance September 30, 2016
Capital assets not being depreciated:					
Land	$ 39,875,212	$ 75,418	$ 1,914,753	$ (238,579)	$ 41,626,804
Construction in Progress	17,731,406	33,266,073	(2,168,772)	-	48,828,707
Total capital assets, not being depreciated	57,606,618	33,341,491	(254,019)	(238,579)	90,455,511
Capital assets being depreciated:					
Building & Improvements	56,867,114	7,338,116	64,402	-	64,269,632
Parks & Improvements	41,423,492	289,093	-	-	41,712,585
Streets & Improvements	253,352,474	801,564	189,617	-	254,343,655
Vehicles, Machinery & Equipment	36,494,925	3,426,994	-	(389,721)	39,532,198
Total capital assets being depreciated	388,138,005	11,855,767	254,019	(389,721)	399,858,070
Less accumulated depreciation for:					
Building & Improvements	(12,734,329)	(1,376,132)	-	-	(14,110,461)
Parks & Improvements	(9,676,959)	(825,071)	-	-	(10,502,030)
Streets & Improvements	(156,435,543)	(7,063,142)	-	-	(163,498,685)
Vehicles, Machinery & Equipment	(30,390,895)	(2,961,276)	-	389,721	(32,962,450)
Total accumulated depreciation	(209,237,726)	(12,225,621)	-	389,721	(221,073,626)
Total capital assets being depreciated, net	178,900,279	(369,854)	254,019	-	178,784,444
Governmental activities capital assets, net	$236,506,897	$32,607,026	$ -	$ (238,579)	$269,239,955

Business-type Activities- Water and Sewer Fund	Balance October 1, 2015	Additions	Transfers	Retirements	Balance September 30, 2016
Capital assets not being depreciated					
Land	$ 844,572	$ -	$ -	$ -	$ 844,572
Construction in Progress	692,701	522,889	(1,079,570)	-	136,020
Total capital assets, not being depreciated	1,537,273	522,889	(1,079,570)	-	980,592
Capital assets, being depreciated					
Water and Sewer System	97,934,878	212,837	1,079,570	-	99,227,285
Buildings	1,411,465	-	-	-	1,411,465
Vehicles, Machinery and Equipment	2,758,142	207,827	-	(98,730)	2,867,239
Total capital assets being depreciated	102,104,485	420,664	1,079,570	(98,730)	103,505,989
Less accumulated depreciation for:					
Water and Sewer System	(48,371,967)	(2,397,802)	-	-	(50,769,769)
Buildings & Improvements	(364,603)	(28,230)	-	-	(392,833)
Vehicles, Machinery and Equipment	(2,225,800)	(181,374)	-	98,730	(2,308,444)
Total accumulated depreciation	(50,962,370)	(2,607,406)	-	98,730	(53,471,046)
Total capital assets being depreciated, net	51,142,115	(2,186,742)	1,079,570	-	50,034,943
Business-type activities capital assets, net	$ 52,679,388	$ (1,663,853)	$ -	$ -	$ 51,015,535

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 943,400
Public Safety	1,879,774
Public Works	7,346,477
Culture and Recreation	2,055,970
Total depreciation expense– governmental activities	$12,225,621
Business-type activities:	
Water and Sewer	2,607,406
Total depreciation expense- business-type activities	$ 2,607,406

(5) LONG-TERM DEBT AND LIBILITIES

General Obligation Debt

General obligation debt provides funds for the acquisition and construction of major capital equipment, facilities and infrastructure. The general obligation debt consists of general obligation bonds, notes and certificates of obligation that are serial debt collateralized by the full faith and credit of the City, and payable from property taxes and other revenues. General obligation bonds require the City to compute, at the time other property taxes are levied, the rate of tax required to provide (in each year bonds are outstanding) funds to pay interest and principal at maturity. The debt matures annually in varying amounts through 2033, and interest is payable semi-annually.

Governmental Activities

A summary of activity of the general obligation debt reported in governmental activities for the year ended September 30, 2016 is as follows:

Outstanding October 1, 2015	$65,935,000
Issued	15,085,000
Retirements	(6,160,000)
Defeased	(4,500,000)
Premium	3,328,322
Outstanding September 30, 2016	$73,688,322

General obligation debt at September 30, 2016, is comprised of the following issues:

Bonds	Rate	Date Of Issue	Date of Maturity	Amount of Issue	Outstanding September 30, 2016
Certificate of Obligation	4.000-4.125	2007	2027	9,100,000	450,000
Certificate of Obligation	4.125-5.750	2008	2028	20,000,000	2,710,000
GO Refunding Bonds	2.93	2009	2020	4,725,000	1,020,000
Certificate of Obligation	2.000-4.250	2011	2031	8,830,000	7,115,000
GO Refunding Bonds	2.000-4.250	2011	2031	12,510,000	7,100,000
GO Refunding Bonds	3.000-5.000	2013	2024	7,660,000	6,385,000
Certificate of Obligation	3.000-5.000	2013	2033	9,095,000	8,190,000
GO Refunding Bonds	1.000-2.000	2014	2020	6,560,000	3,830,000
GO Refunding Bonds	2.000-4.000	2015	2028	18,675,000	18,475,000
GO Refunding Bonds	2.000-3.000	2016	2027	4,405,000	4,405,000
Certificate of Obligation	2.000-4.000	2016	2036	10,680,000	10,680,000
					$70,360,000

Aggregate maturities of the general long-term debt (principal and interest) for the years subsequent to September 30, 2016 are as follows:

FISCAL YEAR	PRINCIPAL REQUIREMENTS	INTEREST REQUIREMENTS	TOTAL REQUIREMENTS
2017	$ 6,715,000	$ 2,530,195	$ 9,245,195
2018	6,020,000	2,180,468	8,200,468
2019	6,120,000	1,999,436	8,119,436
2020	5,560,000	1,837,491	7,397,491
2021	5,020,000	1,685,550	6,705,550
2022-2026	22,890,000	5,718,597	28,608,597
2026-2030	13,335,000	2,143,831	15,478,831
2031-2033	4,700,000	404,944	5,104,944
	$70,360,000	$ 18,500,512	$88,860,512

Proceeds of general obligation bonds are recorded in the Capital Projects Funds and are restricted to the use for which they were approved in the bond elections. Certificates of obligation and note proceeds are recorded in the appropriate fund to account for the use of the funds for which the debt was issued. The City Charter expressly prohibits the use of bond proceeds to fund operating expenditures. The City has $1,868,610 of authorized but unissued general obligation bonds.

The City intends to retire all of its governmental activities general obligation debt plus interest, from ad valorem taxes and other current revenues.

Water and Sewer Fund

A summary of Water and Sewer GO Refunding Bond activity for the year ended September 30, 2016 is as follows:

Outstanding October 1, 2015	$ 805,000
Retirements	(350,000)
Outstanding September 30, 2016	$ 455,000

Water & Sewer GO Refunding Bonds payable at September 30, 2016 is comprised of the following issue:

Bonds	Interest Rate %	Issue Date	Maturity Date	Issued Amount	Outstanding September 30, 2016
Water & Sewer General Obligation Refunding Bonds	2.93	2009	2020	$3,720,000	$ 455,000

Aggregate maturities of the Water and Sewer GO Refunding bonds (principal and interest) for the years subsequent to September 30, 2016 are as follows:

Fiscal Year	Principal	Interest	Total
2017	$360,000	$ 8,058	$368,058
2018	50,000	2,051	52,051
2019	45,000	659	45,659
	$455,000	$ 10,768	$465,768

Sales Tax Bonds

The Sales Tax Revenue Bonds are payable from the gross proceeds of the 1/2 of 1% Sales and Use Tax (Section 4B) levied for the benefit of the Coppell Recreation Development Corporation.

A summary of Sales Tax Revenue Bond activity for the year ended September 30, 2016 is as follows:

Outstanding -October 1, 2015	$30,635,000
Retirements	(650,000)
Premiums	2,425,872
Outstanding -September 30, 2016	$32,410,872

Bonds	Interest Rate %	Issue Date	Maturity Date	Issued Amount	Outstanding September 30, 2016
Sales Tax Revenue Bonds	3.25 - 5.00	2014	2038	$30,635,000	$ 29,985,000

Debt service requirements of the Sales Tax Revenue Bonds (principal and interest) for the years subsequent to September 30, 2016 are as follows:

Fiscal Year	Principal	Interest	Total
2017	$ 680,000	$ 1,273,719	$ 1,953,719
2018	710,000	1,246,519	1,956,519
2019	260,000	1,218,119	1,478,119
2020	1,035,000	1,207,718	2,242,718
2021	1,085,000	1,155,969	2,240,969
2022 - 2026	6,305,000	4,908,594	11,213,594
2027 - 2031	8,015,000	3,196,581	11,211,581
2032 - 2036	9,640,000	1,576,306	11,216,306
2037 - 2038	2,255,000	94,200	2,349,200
	$29,985,000	$15,877,725	$45,862,725

Changes in Long-term Liabilities

Long-term liability activity for the year ended September 30, 2016, was as follows:

	Beginning Balance, as restated	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds payable:					
General obligation bonds	$ 65,935,000	$ 15,085,000	$ (10,660,000)	$ 70,360,000	$ 6,715,000
Sales tax bonds	30,635,000	-	(650,000)	29,985,000	680,000
Deferred amounts:					
Premiums	4,879,689	1,251,054	(376,549)	5,754,194	371,456
Discounts	(53,772)	-	53,772	-	-
Total bonds payable	101,395,917	16,336,054	(11,632,777)	106,099,194	7,766,456
Compensated absences	2,849,486	1,931,126	(1,672,170)	3,108,442	947,692
Net pension liability	12,569,567	7,470,685	-	20,040,252	-
Other post-employment benefits obligation	904,703	169,963	(181,733)	892,933	-
Total governmental activities	117,719,673	25,907,828	(13,486,680)	130,140,821	8,714,148
Business-type Activities:					
Refunding Bonds	805,000	-	(350,000)	455,000	360,000
Compensated absences	77,547	67,336	(76,589)	68,294	57,046
Net pension liability	564,777	335,673	-	900,450	-
Total business-type activities	1,447,324	403,009	(426,589)	1,423,744	417,046
Total government	$ 119,166,997	$ 26,310,837	$ (13,913,269)	$ 131,564,565	$ 9,131,194

For the governmental activities, compensated absences, net pension liability, and other post-employment benefits are generally liquidated by the General Fund.

Defeased Bonds

On August 25, 2016 the City issued $4,405,000 in general obligation refunding bonds with interest rates between 2.00% and 4.00%. The City issued the bonds to advance refund $4,500,000 of outstanding series 2007 combination tax and revenue certificates of obligation bonds with interest rates ranging from 4.00% to 4.125%. The City placed the net proceeds in an escrow fund to provide all future debt service on the refunded bonds. As a result, the series 2007 combination tax and revenue certificates of obligation bonds is considered partially defeased, and the City has removed the liability from its accounts. The outstanding principal of the defeased bonds is $450,000 at September 30, 2016. The balance will be paid off in 2017.

The advance refunding reduced total debt service payments over the next 11 years by $532,352. This results in an economic gain of $481,921.

(6) COMPENSATED ABSENCES

Vacation leave is earned in varying amounts up to a maximum of twenty-four (24) days for employees with 19 or more years of service. Unused vacation leave is carried forward from one year to the next, up to a maximum of forty-eight (48) days, depending on years of service. As of September 30, 2016, the amount expected to be due within one year for Governmental Activities is $947,692. The amount expected to be due within one year for Business-type Activities is $57,046.

A summary of the activity for the year is as follows:

	Business-type Activities	Governmental Activities	Total
Balance - Beginning of year	$ 77,547	$ 2,849,486	$ 2,927,033
Additions	67,336	1,931,126	1,998,462
Reductions	(76,589)	(1,672,170)	(1,748,759)
Balance - End of Year	$ 68,294	$ 3,108,442	$ 3,176,736

(7) FUND BALANCE FLOW ASSUMPTIONS

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

When both restricted and unrestricted resources are available for use in governmental activities or proprietary funds, it is the City's policy to use restricted resources first, then unrestricted resources, as they are needed.

(8) FUND BALANCES

According to GASB Statement No. 54, the fund balance is classified depending on the relative strength of the spending constraints placed on the purposes for which resources can be used as follows:

Nonspendable fund balance- amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.

Restricted fund balance- amounts constrained to specific purposes externally imposed by creditors (such as through debt covenants), grantor and contributors, or laws, or regulations of other governments, or through constitutional provisions, or by enabling legislation.

Committed fund balance- amounts that can only be used for specific purposes, pursuant to constraints imposed by formal action of the government's highest level of decision making authority. The City Council is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Assigned fund balance-amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The City Council has by resolution authorized the finance director to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Unassigned fund balance- amounts that represent fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. In other governmental funds, it may be necessary to report a negative residual balance as unassigned.

Fund Balances	General	General Obligation	Capital Projects Streets	Capital Projects Recreation Development	Infrastructure Maintenance Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:							
Prepaid items	$ 203,857	$ -	$ -	$ -	$ -	$ 3,929	$ 207,786
Permanent Fund - Perpetual Care Fund	-	-	-	-	-	397,652	397,652
Restricted for:							
General Government							
City charter required reserves	5,851,084	-	-	-	-	-	5,851,084
Public educational government channel	187,945	-	-	-	-	-	187,945
Public education about solid waste	13,850	-	-	-	-	-	13,850
Public Safety							
Emergency 911	379,104	-	-	-	-	-	379,104
Fire	-	-	-	-	-	13,892	13,892
Police	-	-	-	-	-	285,058	285,058
Animal shelter	-	-	-	-	-	13,959	13,959
Child safety programs	-	-	-	-	-	75,259	75,259
Crime prevention programs and services	-	-	-	-	-	8,624,975	8,624,975
Court security	-	-	-	-	-	264,110	264,110
Traffic and signal enforcement / improvements	-	-	-	-	-	581,051	581,051
Juvenile case manager	-	-	-	-	-	156,848	156,848
Court technology	-	-	-	-	-	147,033	147,033
Judicial efficiency	-	-	-	-	-	12,792	12,792
Culture and recreation							
Improvements / maintenance of recreation facilities, trails, drainage, and streetscapes	10,507,021	-	-	-	-	-	10,507,021
Recycling	-	-	-	-	-	63,651	63,651
Community garden / farmer's market	-	-	-	-	-	1,528	1,528
Library	-	-	-	-	-	32,390	32,390
Parks	-	-	-	-	-	14,774	14,774
Art Center	-	-	-	-	-	21,848	21,848
Tennis Center	-	-	-	-	-	1,003	1,003
Senior Center	-	-	-	-	-	7,493	7,493
Improvements / maintenance of recreation facilities	-	-	-	-	-	62,033	62,033
Improvements / maintenance of recreation facilities, trails, drainage, and streetscapes	-	-	-	-	-	225,504	225,504
Economic development	-	-	-	-	-	8,785	8,785
Capital Projects	-		15,465,368	11,043,339	-	2,114,192	28,622,899
Debt Service	-	934,072	-	-	-	78,163	1,012,235
Committed for:							
Culture and recreation							
Improvements / maintenance of recreation facilities, trails, drainage, and streetscapes	3,396,193	-	-	-	-	-	3,396,193
Recreational programs and services	-	-	-	-	-	-	-
Parks	-	-	-	-	-	486,347	486,347
Rolling Oaks Cemetery	-	-	-	-	-	510,518	510,518
Tree preservation	-	-	-	-	-	187,341	187,341
Economic development	945,244	-	-	-	-	12,055	957,299
Public works							
Projects	356,844	-	-	-	14,403,249	-	14,760,093
Infrastructure maintenance	-	-	-	-	-	-	-
Storm water control development	-	-	-	-	-	962,010	962,010
Assigned for:							
Capital Projects	4,013,140	-	-	-	-	-	4,013,140
Unassigned	31,555,920	-	-	-	-	-	31,555,920
	$ 57,410,202	$ 934,072	$ 15,465,368	$ 11,043,339	$ 14,403,249	$ 15,366,193	$ 114,622,423

(9) INTERFUND BALANCES AND TRANSFERS

During the course of the fiscal year, interfund payables and receivables arise. The following were outstanding as of September 30, 2016:

Receivable Fund	Payable Fund	Amount
General Fund	Debt Service Fund	$ 5,329
General Fund	Municipal Court Tech Fund	4,482
	Total	$ 9,811

Transfers made during the year were as follows:

Fund	Transfers In	Transfers Out
General Fund	$ 2,505,536	$ 5,358,440
Debt Service Fund		
General Obligation	274	-
Capital Project Fund		
Recreational Develop Corp	1,000,000	-
Special Revenue Fund		
Infrastructure Maintenance Fund	2,770,500	818,000
Nonmajor Governmental Funds	2,723,970	3,247,014
Internal Service Funds	444,672	-
Water-Sewer Enterprise Fund	-	21,498
Totals	$ 9,444,952	$ 9,444,952

The transfer from the General Fund to other governmental funds consisted of an annual transfer to the Infrastructure Maintenance Special Revenue Fund to cover the cost of maintenance of City facilities and streets ($2,770,500); to the City-Funded Capital Project Fund for the Service Center expansion, Engineering software, and ERP project discovery ($1,986,316); to the Recreation Development Corporation for the Library renovation ($236,018); and to the Capital Replacement Internal Service Fund to provide initial funding for future equipment and vehicle replacements ($365,606). The transfer from the Coppell Recreation Development Corporation to the General Fund was for maintenance and operations of parks and recreation facilities per Council resolution allowing the use of the 4b proceeds for maintenance and operations of parks and facilities originally developed with 4b proceeds ($2,505,536).

The transfers from the Infrastructure Maintenance Special Revenue Fund were to Coppell Recreation Development Corporation for Library renovations ($418,000) and to the Recreation Development Capital Project Fund for the Streetscaping Project ($400,000). The transfer from the Tree Preservation Special Revenue Fund to the Recreation Development Capital Project Fund was for tree planting at Andrew

Brown Park ($600,000). The transfers from the Crime Prevention Special Revenue Fund were to the Recreation Development Corporation for the Life Safety Project ($83,636), and to the Capital Replacement Internal Service Fund to accumulate funds for future public safety equipment and vehicle replacements ($26,723). Additional transfers were from the Red Light Enforcement Special Revenue Fund ($30,845) and Water-Sewer Enterprise Fund ($21,498) to the Capital Replacement Internal Service Fund for future equipment and vehicle replacements specific to each. The other transfer was to close out the Cemetery Capital Project Fund by transferring the balance to the Debt Service Fund ($274).

(10) DEFINED BENEFIT PENSION PLAN

A. Plan Description

The City participates as one of 866 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at *www.tmrs.com.*

All eligible employees of the City are required to participate in TMRS.

B. Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the city, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

Members can retire at ages 60 and above with five or more years of service or with 20 years of service regardless of age. A member is vested after five years. The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS and within the actuarial constraints also in the statutes.

Employees covered by benefit terms.

At the December 31, 2015 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	175
Inactive employees entitled to but not yet receiving benefits	167
Active employees	372
	714

C. Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the city matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 15.43% and 15.11% in calendar years 2015 and 2016, respectively. The City's contributions to TMRS for the year ended September 30, 2016, were $4,221,309, and were equal to the required contributions.

D. Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2015, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total Pension Liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.0% per year
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the Gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the Gender-distinct RP2000 Disabled Retiree Mortality Tables are used, with slight adjustments.

Actuarial assumptions used in the December 31, 2015 valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2010 through December 31, 2014. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. No additional changes were made for the 2015 valuation. After the Asset Allocation Study analysis and experience investigation study, the long-term expected rate of return on pension plan investments was amended from 7% to 6.75%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The Board approved a

new portfolio target allocation at its meeting on July 30, 2015. The target allocation and best estimates of real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic Equity	17.5%	4.55%
International Equity	17.5%	6.10%
Core Fixed Income	10.0%	1.00%
Non-Core Fixed Income	20.0%	3.65%
Real Return	10.0%	4.03%
Real Estate	10.0%	5.00%
Absolute Return	10.0%	4.00%
Private Equity	5.0%	8.00%
Total	100.0%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability	**Increases (Decreases)**		
	Total Pension Liability (a)	**Plan Fiduciary Net Position (b)**	**Net Pension Liability (a) - (b)**
Balance at 12/31/2014	$ 123,190,586	$ 110,056,242	$ 13,134,344
Changes for the year:			
Service cost	4,773,791	-	4,773,791
Interest	8,655,276	-	8,655,276
Difference between expected and actual experience	1,027,510	-	1,027,510
Changes of assumptions	(530,535)	-	(530,535)
Contributions - employer	-	4,156,827	(4,156,827)
Contributions - employee	-	1,904,241	(1,904,241)
Net investment income	-	162,416	(162,416)
Benefit payments, including refunds of employee contributions	(3,861,363)	(3,861,363)	-
Administrative expense	-	(98,915)	98,915
Other changes	-	(4,885)	4,885
Net changes	10,064,679	2,258,321	7,806,358
Balance at 12/31/2015	$ 133,255,265	$ 112,314,563	$ 20,940,702

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability	$ 42,112,006	$20,940,702	$ 3,761,558

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at *www.tmrs.com.*

E. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2016, the city recognized pension expense of $5,712,843.

At September 30, 2016, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 827,993	$ 263,171
Changes in actuarial assumptions	-	427,518
Difference between projected and actual investment earnings	6,813,031	-
Contributions subsequent to the measurement date	2,961,636	-
Total	$ 10,602,660	$ 690,689

The City reported $2,961,636 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2017. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2017	$ 1,788,154
2018	1,788,154
2019	1,788,154
2020	1,571,398
2021	14,475
Total	$ 6,950,335

(11) DEFERRED COMPENSATION PLANS

The City offers its employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

The City funds all amounts of compensation deferred under the plan, at the direction of the covered employee, through investments in either a Roth IRA or fixed and variable annuity contracts underwritten by International City Manager Association (ICMA) Retirement Corporation and American Fund.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in trust for the exclusive benefit of the participants and their beneficiaries.

The City has no liability for losses under the plan, only provides limited administrative duties, and therefore, the deferred compensation plans are not included in the financial statements of the City.

(12) RISK FINANCING

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. There have been no reductions in coverages during the year or settlements in excess of coverages in the past three years.

The City established an internal service fund to account for its self-funded employee health program in November 2000. The City pays the premium for each eligible employee and each employee pays the dependent coverage premium. The premiums paid by the City are primarily an expenditure of the general fund and an expense of the Water and Sewer Enterprise Fund. All premiums are paid into the self-funded health internal service fund to pay claims, claim reserves and administrative costs of the program as well as costs associated with the City's wellness program.

The self-funded employee health program is responsible for medical claims up to an aggregate stop loss of $125,000 per covered individual. Coverage from a private insurance company is maintained for losses in excess of the stop loss amount. An independent claims administrator performs all claims handling procedures.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claims payable include all known claims and an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are estimated by considering the effects of inflation, recent claim settlement trends, including frequency and amount of pay-outs, and other economic and social factors. The self-funded program was implemented during the year ended September 30, 2001. Changes in the balance of the claims liabilities for the year ended September 30, 2016, are as follows:

	2016	2015
Claims payable, beginning of year	$ 817,274	$ 574,823
Claims incurred	4,281,720	4,406,526
Changes in estimates	(265,725)	211,054
Claim payments	(4,309,552)	(4,375,129)
Claims payable, end of year	$ 523,717	$ 817,274

(13) OTHER POST-EMPLOYMENT BENEFITS

Health Care Benefits

Plan Description

In addition to the pension benefits described in Note 10, the City provides post-employment health care benefits, in accordance with City policy. All employees who are vested in the City's pension plan, Texas Municipal Retirement System, are eligible for these benefits with 20 years or more of service, regardless of age, or at age 60 and above. Coverage is also available to dependents or surviving spouses of retirees. This healthcare plan provides medical, dental and hospitalization coverage (until eligible for Medicare) to eligible retirees, their spouses and dependents through the city's self-funded health program, which covers both active and retired members. At September 30, 2016, the City had 182 retirees and an additional 91 active employees that are eligible to retire. The City subsidizes medical and hospitalization costs incurred by retirees and their dependents. Recommendations for plan benefits are presented to City Council for their approval during the annual budget process. The City's plan qualifies as a single-employer, defined benefit plan and is accounted for in the City's Self-Funded Health Fund. A separate financial statement is not issued for the plan.

Contributions

Current retirees contribute to the self-funded health program the blended premium for active and retired participants. The City contribution for retirees consists of pay-as-you-go claims in excess of the retiree contributions. Retiree contribution rates for fiscal year 2016 ranged from $803 to $1,815 per month depending on coverage levels selected. In fiscal year 2016, the total member contributions were $72,351. Claims incurred by retirees were $181,733; therefore, the City's contribution to the plan for fiscal year 2016 was $109,382, the amount by which retiree expenses exceeded retiree contributions.

Schedule of Actuarial Liabilities and Funding Progress

Actuarial valuations involve the use of estimates and assumptions about the probability of events far into the future, including, but not limited to, assumptions about length of employee service, mortality rates, and future costs of healthcare. The valuation will be updated every year and actual results will be compared to past expectations. As a result of these comparisons, new estimates and assumptions will be made about future results of the plan. Valuations are made based on the benefits in place at the time of the valuation. Any changes in the benefits offered or the contribution rates would impact future valuations. Actuarial techniques include smoothing mechanisms which take a long-term approach in the valuation of assets and liabilities of the plan and are designed to reduce short-term volatility in the measurement of these assets and liabilities.

Actuarial Assumptions

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percent of Payroll
Remaining Amortization Period	30 Years – Closed Period
Asset Valuation Method	Market Value
Investment Rate of Return	4.5%
Payroll Growth	3.0%
Healthcare Trends	7.25% Initial, 4.5% Ultimate
Inflation Rate	3.0%

Annual OPEB Cost	2016	2015	2014
Employer Normal Cost	$ 116,653	$ 116,653	$ 96,345
Amortization of Unfunded ActuarialAccrued Liability	53,310	53,310	45,407
Annual Required Contribution (ARC)	169,963	169,963	141,752
Interest on Net OPEB Obligation	-	-	-
Adjustment to Annual Required Contribution	-	-	-
Annual OPEB Cost	169,963	169,963	141,752
Contributions (Claims Paid and Additional Contribution)	(181,733)	(105,561)	(212,705)
Change in Net OPEB Obligation	(11,770)	64,402	(70,953)
Net OPEB Obligation, beginning of year	904,703	840,301	911,254
Net OPEB obligation, the end of year	$ 892,933	$ 904,703	$ 840,301
Percentage of Annual OPEB Cost Contributed	106.9%	62.1%	150.1%

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014, 2015, and 2016 are as follows:

Fiscal Year	Annual OPEB Cost (ARC)	Percentage of ARC Contributed	Net OPEB Obligation
2014	$ 141,752	150.1%	$840,301
2015	169,963	62.1%	904,703
2016	169,963	106.9%	892,933

As of December 31, 2014, the most recent actuarial valuation date, the plan was 13.89 percent funded. The actuarial accrued liability for benefits was $1,447,274 and the actuarial value of assets was $200,994, resulting in an unfunded actuarial accrued liability (UAAL) of $1,246,280. The covered payroll (annual payroll of active employees covered by the plan) was $27,430,532 and the ratio of the UAAL to the covered payroll was 4.5 percent. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets held in trust is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

COBRA Benefits

Under the Consolidated Omnibus Budget Reconciliation Act ("COBRA"), the City makes healthcare benefits available to eligible former employees and eligible dependents. The federal government outlines certain requirements for this coverage. The premium plus a two percent administration fee is paid in full by the insured on or before the tenth (10th) day of the month for the actual month covered. This program is offered for 18 months after the employee's termination date. The City makes no contribution under this program. There was one participant in the program as of September 30, 2016.

Life Insurance Benefits

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1st of any year to be effective the following January 1st.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for $7,500; this coverage is an "other postemployment benefit," or OPEB.

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers.

The City's contributions to the TMRS SDBF for the years ended 2016, 2015 and 2014 were $41,146, $39,212 and $36.478, respectively, which equaled the required contributions each year.

Schedule of Contribution Rates
(RETIREE - only portion of the rate)

Plan / Calendar Year	Annual Required Contribution Rate (ARC)	Actual Contribution Rate	Percentage of ARC Contributed
2013	0.01%	0.01%	100.0%
2014	0.01%	0.01%	100.0%
2015	0.01%	0.01%	100.0%

(14) JOINT VENTURE AND SHARED RADIO SYSTEM

The North Texas Emergency Communications Center, Inc. (NTECC) is a joint venture between the Town of Addison, City of Carrollton, City of Coppell and City of Farmers Branch (the "Cities") formed during fiscal year 2014 to establish and operate a joint public safety dispatch center. The affairs of the NTECC are managed by a four-person board of directors representing each of the four participating Cities.

The Cities are responsible for funding capital and operating costs of the NTECC in the proportions stated in the interlocal agreement. The City of Coppell has an equity interest in the NTECC of $840,562 at September 30, 2016, and it is reported as an investment in joint venture in the governmental activities on the government-wide Statement of Net Position. The financial statements for NTECC may be obtained from the Department of Finance at P.O. Box 9478, Coppell, Texas 75048-9478, call (972) 304-3690, or e-mail at finance@coppelltx.gov.

Additionally, the Cities have also entered into an interlocal agreement to jointly procure a public safety radio system. While this agreement did not include the formation of a separate legal joint venture entity, it is possible that this system may be consolidated into the NTECC in the future. The Cities are responsible for funding a portion of the radio system in the proportions stated in the inter-local agreement. The City of Coppell's portion of the system costs at September 30, 2016 of $2,690,961 is capitalized as construction in progress in the governmental activities on the government-wide Statement of Net Position.

(15) COMMITMENTS AND CONTINGENCIES

Outstanding commitments at September 30, 2016 under authorized construction contracts were $13,322,502 to be funded by Capital Project Funds and $97,506 to be funded by the Enterprise Fund.

Project	Spent-to-Date	Remaining Commitment
Capital Project Funds:		
Andy Brown Park	$ 12,593,092	$ 8,790,718
Life Safety Park	4,024,933	1,768,246
Bethel Rd/W Sandy Lake/Freeport	6,591,598	816,902
State Hwy 121/Freeport	12,075,447	763,662
Streetcape	3,970,165	736,786
Various Capital Projects	50,702,421	446,188
	89,957,656	13,322,502
Enterprise Fund:		
Smart Meters/Pump Station	1,215,591	97,506
Total all funds	$ 91,173,247	$ 13,420,008

The City receives State and Federal Grants for specific purposes that are subject to review and audit by the Grantor Agency. Such audits could result in a request for reimbursement for expenditures disallowed under terms and conditions of the appropriate agencies. In the opinion of City management, such disallowances, if any, will not be significant.

CITY OF COPPELL, TEXAS

REQUIRED SUPPLEMENTAL INFORMATION
TEXAS MUNICIPAL RETIREMENT SYSTEM (TMRS)
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
LAST TWO MEASUREMENT YEARS (Unaudited)

Measurement Year - Deceember 31,	**2015**	**2014**
Total pension liability		
Service cost	$ 4,773,791	$ 4,360,178
Interest (on the total pension liability)	8,655,276	8,043,965
Difference between expected and actual experience	1,027,510	(416,347)
Changes of assumptions	(530,535)	-
Benefit payments, including refunds of employee contributions	(3,861,363)	(3,061,820)
Net change in total pension liability	$ 10,064,679	$ 8,925,976
Total pension liability - beginning	123,190,586	114,264,610
Total pension liability - ending (a)	$ 133,255,265	$ 123,190,586
Plan fiduciary net position		
Contributions - employer	$ 4,156,827	$ 3,937,618
Contributions - employee	1,904,241	1,763,756
Net investment income	162,416	5,816,895
Benefit payments, including refunds of employee contributions	(3,861,363)	(3,061,820)
Administrative expense	(98,915)	(60,721)
Other	(4,885)	(4,993)
Net change in plan fiduciary net position	$ 2,258,321	$ 8,390,735
Plan fiduciary net position - beginning	110,056,242	101,665,507
Plan fiduciary net position - ending (b)	112,314,563	110,056,242
Net pension liability (a) - (b)	20,940,702	$ 13,134,344
Plan fiduciary net position as a percentage of total pension liability	84.29%	89.34%
Covered employee payroll	$ 26,594,934	$ 24,996,845
Net pension liability as a percentage of covered employee payroll	78.74%	52.54%

CITY OF COPPELL, TEXAS

REQUIRED SUPPLEMENTAL INFORMATION
TEXAS MUNICIPAL RETIREMENT SYSTEM (TMRS)
SCHEDULE OF CONTRIBUTIONS
LAST TWO FISCAL YEARS (Unaudited)

	Fiscal Year	
	2016	2015
Actuarially determined contribution	$ 4,221,309	$ 4,068,349
Contribution in relation of the actuarially determined contribution	4,221,309	4,068,897
Contribution deficiency (excess)	$ -	$ (548)
Covered employee payroll	$ 27,430,532	$ 26,141,272
Contributions as a percentage of covered employee payroll	15.39%	15.57%

Notes to Schedule

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	30 years
Asset Valuation Method	10 Year smoothed market; 15% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 10.5% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010 - 2014.
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.

Other Information: There were no benefit changes during the year.

CITY OF COPPELL, TEXAS

REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF OTHER POST-EMPLOYMENT BENEFITS FUNDING PROGRESS
LAST THREE FISCAL YEARS (Unaudited)

Fiscal Year	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Percent	Annual Covered Payroll	UAAL as Percent of Covered Payroll
2014	12/31/2012	$ -	$ 1,065,248	$ 1,065,248	0.00 %	$ 24,360,156	4.4 %
2015	12/31/2014	200,994	1,447,274	1,246,280	13.89	26,141,272	4.8
2016	12/31/2014	200,994	1,447,274	1,246,280	13.89	27,430,532	4.5

CITY OF COPPELL, TEXAS

REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF OTHER POST-EMPLOYMENT BENEFITS CONTRIBUTIONS
LAST THREE FISCAL YEARS (Unaudited)

Fiscal Year	Annual OPEB Cost (ARC)	Contributions	Percentage of ARC Contributed
2014	$ 141,752	$ 212,705	150.1 %
2015	169,963	105,561	62.1
2016	169,963	181,733	106.9

NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Donations Fund - To account for donations received by the City with expenditures restricted to use for the library, parks, economic development and fire department programs.

Park Fund - To account for revenues that are restricted for park improvements.

Police Fund - To account for revenues restricted for special policing purposes.

Child Safety Fund - To account for revenues restricted for programs to enhance child safety.

Crime Prevention Fund – To account for revenue restricted for Crime Prevention programs which include the School Resource Officer Program, the Community Services Program and the Patrol Prevention Program.

Municipal Court Fund - To account for revenues that are restricted for Municipal Court security issues.

Red Light Enforcement Fund - To account for revenues that are restricted for traffic safety, pedestrian safety, public safety, intersection improvement, and traffic enforcement.

Juvenile Case Manager Fund - To account for revenues that are restricted for the necessary expenditures related to the position of Juvenile Case Manager.

Court Technology Fund - To account for revenues that are restricted for financing the purchase of technological enhancements for the Municipal Court.

Tree Preservation Fund - To account for revenues that are restricted for tree preservation.

Recreation Development Corporation #1 - To account for revenues which are restricted for the Coppell Recreation Development Corporation #1, a blended component unit of the City.

Recreation Development Corporation #2 - To account for revenues which are restricted for the Coppell Recreation Development Corporation #2, a blended component unit of the City.

Judicial Efficiency Fund – To account for revenue restricted for uses that improve the efficiency of the administration of justice in the City.

Economic Development Foundation Fund - A blended component unit of the City of Coppell established for the purpose of promoting economic development and business opportunities within the City.

Drainage Utility District Fund - To account for revenues that are restricted for storm water control development.

Rolling Oaks Cemetery Fund – To account for revenues that are restricted for the administration of the cemetery.

Debt Service Fund

Debt Service Funds are used to account for the accumulation of resources for and payment of principal, interest and other related costs on long-term debt.

Recreation Development Corporation Fund - To account for debt service activities relating to indebtedness of the Coppell Recreation Development Corporation, a blended component unit of the City.

Capital Projects Funds

Capital Projects Funds are used to account for financial resources used for the acquisition and construction of capital facilities (other than those financed by proprietary funds).

Park Improvement Fund - To account for financing and capital improvement of and for City parks.

Drainage Fund - To account for financing and construction of various drainage projects within the City.

City Facilities Fund - To account for the financing and construction of City facilities.

City Funded Capital Improvement Project Fund - To account for the financing and construction of City funded capital improvement projects.

Cemetery Fund - To account for the financing and construction of a City Cemetery.

Permanent Fund

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used to support programs of the City.

Perpetual Care Fund – To account for the assets and earnings used to support the operation and maintenance of the Rolling Oaks Cemetery.

THE CITY OF
COPPELL
TEXAS 1890

CITY OF COPPELL, TEXAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2016

	Special Revenue				
ASSETS	Donations	Park	Police	Child Safety	Crime Prevention
Cash	$ 82,020	$ 118,201	$ 58,655	$ 74,341	$ 225
Investments	100,000	384,123	240,000	-	8,381,902
Receivables:					
Taxes	-	-	-	-	382,992
Interest	118	9	284	-	994
Other	-	-	-	918	-
Prepaid Items	-	-	536	-	-
Total Assets	$ 182,138	$ 502,333	$ 299,475	$ 75,259	$ 8,766,113
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	$ 2,815	$ 15,986	$ 13,881	$ -	$ 127,338
Due to Other Funds	-	-	-	-	-
Accrued Liabilities	-	-	-	-	13,800
Retainage Payable	-	-	-	-	-
Unavailable Revenue	-	-	-	-	-
Total Liabilities	2,815	15,986	13,881	-	141,138
Fund Balances:					
Non Spendable	-	-	536	-	-
Restricted For:					
Public Safety	27,851	-	285,058	75,259	8,624,975
Culture and Recreation	142,687	-	-	-	-
Economic Development	8,785	-	-	-	-
Capital Projects	-	-	-	-	-
Debt Service	-	-	-	-	-
Committed For:					
Culture and Recreation	-	486,347	-	-	-
Economic Development	-	-	-	-	-
Public Works	-	-	-	-	-
Total Fund Balances	179,323	486,347	285,594	75,259	8,624,975
Total Liabilities and Fund Balances	$ 182,138	$ 502,333	$ 299,475	$ 75,259	$ 8,766,113

CITY OF COPPELL, TEXAS

(Combining Balance Sheet) (Continued)
(Nonmajor Governmental Funds)
(Continued on the following page)

	Special Revenue						
	Municipal Court	Red Light Enforcement	Juvenile Case Manager	Recreational Development Corporation #1	Recreational Development Corporation #2	Court Technology	Tree Preservation
	$ 18,820	$ 3,491	$ 156,848	$ -	$ 82	$ -	$ 7,128
	245,000	679,923	-	112,927	123,883	151,335	180,000
	-	-	-	-	765,998	-	-
	290	60	-	-	-	179	213
	-	27,564	-	-	11,200	-	-
	-	-	-	-	-	-	-
	$ 264,110	$ 711,038	$ 156,848	$ 112,927	$ 901,163	$ 151,514	$ 187,341
	$ -	$ 129,987	$ -	$ 40,407	$ 385,273	$ -	$ -
	-	-	-	-	-	4,482	-
	-	-	-	-	-	-	-
	-	-	-	10,487	290,386	-	-
	-	-	-	-	-	-	-
	-	129,987	-	50,894	675,659	4,482	-
	-	-	-	-	-	-	-
	264,110	581,051	156,848	-	-	147,033	-
	-	-	-	62,033	225,504	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	187,341
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	264,110	581,051	156,848	62,033	225,504	147,033	187,341
	$ 264,110	$ 711,038	$ 156,848	$ 112,927	$ 901,163	$ 151,515	$ 187,341

CITY OF COPPELL, TEXAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2016
(Continued from the previous page)

	Special Revenue				Debt Service
	Judicial Efficiency	Economic Development Foundation	Drainage Utility District	Rolling Oaks Cemetery	Recreation Development Corporation
ASSETS					
Cash	$ 12,792	$ 133,928	$ 141,666	$ 501,057	$ -
Investments	-	-	800,855	-	78,163
Receivables:					
Taxes	-	-	-	-	-
Interest	-	-	715	-	-
Other	-	-	32,041	179,796	-
Prepaid Items	-	-	-	3,393	-
Total Assets	$ 12,792	$ 133,928	$ 975,277	$ 684,246	$ 78,163
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	$ -	$ 121,873	$ 11,634	$ 13,647	$ -
Due to Other Funds	-	-	-	-	-
Accrued Liabilities	-	-	1,633	3,488	-
Retainage Payable	-	-	-	-	-
Unavailable Revenue	-	-	-	153,200	-
Total Liabilities	-	121,873	13,267	170,335	-
Fund Balances:					
Non Spendable	-	-	-	3,393	-
Restricted For:					
Public Safety	12,792	-	-	-	-
Culture and Recreation	-	-	-	-	-
Economic Development	-	-	-	-	-
Capital Projects	-	-	-	-	-
Debt Service	-	-	-	-	78,163
Committed For:					
Culture and Recreation	-	-	-	510,518	-
Economic Development	-	12,055	-		-
Public Works	-	-	962,010	-	-
Total Fund Balances	12,792	12,055	962,010	513,911	78,163
Total Liabilities and Fund Balances	$ 12,792	$ 133,928	$ 975,277	$ 684,246	$ 78,163

CITY OF COPPELL, TEXAS

(Combining Balance Sheet) (Continued)
(Nonmajor Governmental Funds)

Capital Projects					Permanent Fund	Eliminations	
Park Improvement	Drainage	City Facilities	City Funded CIP	Cemetery	Perpetual Care	Interfund Balances	Total Nonmajor Governmental Funds
$ 4,162	$ 55,482	$ 57,617	$ 555,305	$ -	$ 80,868	$ -	$ 2,062,688
38,392	-	73,448	1,619,370	-	316,577	-	13,525,898
-	-	-	-	-	-	-	1,148,990
-	-	-	-	-	207	-	3,069
-	-	-	-	-	-	-	251,519
-	-	-	-	-	-	-	3,929
$ 42,554	$ 55,482	$ 131,065	$ 2,174,675	$ -	$ 397,652	$ -	$ 16,996,093
$ -	$ -	$ -	$ 289,584	$ -	$ -	$ -	$ 1,152,425
-	-	-	-	-	-	-	4,482
-	-	-	-	-	-	-	18,921
-	-	-	-	-	-	-	300,873
-	-	-	-	-	-	-	153,200
-	-	-	289,584	-	-	-	1,629,901
-	-	-	-	-	397,652	-	401,581
-	-	-	-	-	-	-	10,174,977
-	-	-	-	-	-	-	430,224
-	-	-	-	-	-	-	8,785
42,554	55,482	131,065	1,885,091	-	-	-	2,114,192
-	-	-	-	-	-	-	78,163
-	-	-	-	-	-	-	1,184,206
-	-	-	-	-	-	-	12,055
-	-	-	-	-	-	-	962,010
42,554	55,482	131,065	1,885,091	-	397,652	-	15,366,193
$ 42,554	$ 55,482	$ 131,065	$ 2,174,675	$ -	$ 397,652	$ -	$ 16,996,094

CITY OF COPPELL, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Special Revenue				
	Donations	Park	Police	Child Safety	Crime Prevention
REVENUES:					
Taxes, Penalties and Interest	$ -	$ -	$ -	$ -	$ 4,615,901
Licenses, Fees and Permits	-	86,095	-	-	-
Intergovernmental	-	-	6,732	-	-
Charges for Services	700	-	-	-	-
Fines and Forfeitures	-	-	37,745	10,259	-
Interest Income	282	1,535	897	-	23,486
Contributions	17,267	-	12,045	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	18,249	87,630	57,419	10,259	4,639,387
EXPENDITURES:					
Current					
General Government	-	-	500	-	-
Public Safety	25,705	-	85,282	8,476	2,809,605
Public Works	-	-	-	-	-
Culture and Recreation	503	33,950	-	-	-
Debt Service					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
Bond Issuance Costs	-	-	-	-	-
Capital Outlay	17	44,081	44,197	-	202,745
Total Expenditures	26,225	78,031	129,979	8,476	3,012,350
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,976)	9,599	(72,560)	1,783	1,627,037
OTHER FINANCING SOURCES (USES):					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	(110,359)
Proceeds from Sale of Capital Assets	-	-	-	-	-
Proceeds of Refunding Bonds	-	-	-	-	-
Premium on Refunding Bonds Issued	-	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	(110,359)
Net Change in Fund Balances	(7,976)	9,599	(72,560)	1,783	1,516,678
FUND BALANCES, October 1	187,299	476,748	358,154	73,476	7,108,297
FUND BALANCES, September 30	$ 179,323	$ 486,347	$ 285,594	$ 75,259	$ 8,624,975

(Combining Statement of Revenues, Expenditures, and Changes in Fund Balances) (Continued)
(Nonmajor Governmental Funds)
(Continued on the following page)

Special Revenue					
Municipal Court	Red Light Enforcement	Juvenile Case Mangger	Recreation Development Corporation#1	Recreation Development Corporation#2	Court Technology
$ -	$ -	$ -	$ -	$ 7,378,907	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
24,476	327,861	48,773	-	-	32,634
514	1,821	-	367	2,815	379
-	-	-	-	-	-
-	-	-	-	-	-
24,990	329,682	48,773	367	7,381,722	33,013
-	-	-	-	-	-
-	213,214	331	-	-	31,515
-	-	-	-	-	-
-	-	-	55,274	769,555	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	454,886	6,322,071	49,382
0	213,214	331	510,160	7,091,626	80,897
24,990	116,468	48,442	(509,793)	290,096	(47,884)
-	-	-	-	737,654	-
-	(30,845)	-	-	(2,505,536)	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(30,845)	-	-	(1,767,882)	-
24,990	85,623	48,442	(509,793)	(1,477,786)	(47,884)
239,120	495,428	108,406	571,826	1,703,290	194,917
$ 264,110	$ 581,051	$ 156,848	$ 62,033	$ 225,504	$ 147,033

CITY OF COPPELL, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016
(Continued from the previous page)

	Special Revenue					Debt Service
	Tree Preservation	Judicial Efficiency	Economic Development Foundation	Drainage Utility District	Rolling Oaks Cemetery	Recreation Development Corporation
REVENUES:						
Taxes, Penalties and Interest	$ -	$ -	$ -	$ -	$ -	$ 1,949,719
Licenses, Fees and Permits	60,250	-	-	243,567	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	593,666	-
Fines and Forfeitures	-	4,809	-	-	-	-
Interest Income	1,583	-	573	2,636	384	1,156
Contributions	-	-	-	-	-	-
Miscellaneous	-	-	-	-	46,667	-
Total Revenues	61,833	4,809	573	246,203	640,717	1,950,875
EXPENDITURES:						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	2,475	-	-	-	-
Public Works	-	-	-	219,450	-	-
Culture and Recreation	124,922	-	-	-	518,382	-
Debt Service						
Principal Retirement	-	-	-	-	-	650,000
Interest and Fiscal Charges	-	-	-	-	-	1,299,343
Bond Issuance Costs	-	-	-	-	-	750
Capital Outlay	-	-	290,563	-	7,541	-
Total Expenditures	124,922	2,475	290,563	219,450	525,923	1,950,093
Excess (Deficiency) of Revenues Over (Under) Expenditures	(63,089)	2,334	(289,990)	26,753	114,794	782
OTHER FINANCING SOURCES (USES):						
Transfers In	-	-	-	-	-	-
Transfers Out	(600,000)	-	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	290,563	-	-	-
Proceeds of Refunding Bonds	-	-	-	-	-	-
Premium on Refunding Bonds Issued	-	-	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(600,000)	-	290,563	-	-	-
Net Change in Fund Balances	(663,089)	2,334	573	26,753	114,794	782
FUND BALANCES, October 1	850,430	10,458	11,482	935,257	399,117	77,381
FUND BALANCES, September 30	$ 187,341	$ 12,792	$ 12,055	$ 962,010	$ 513,911	$ 78,163

CITY OF COPPELL, TEXAS

(Combining Statement of Revenues, Expenditures, and Changes in Fund Balances)
(Nonmajor Governmental Funds)
(Continued)

Capital Projects					Permanent Fund	
Park Improvement	Drainage	City Facilities	City Funded CIP	Cemetery	Perpetual Care	Total Nonmajor Governmental Funds
$ -	$ -	$ -	$ -	$ -	$ -	$ 13,944,527
-	-	-	-	-	-	389,912
-	-	-	-	-	-	6,732
-	-	-	-	-	61,963	656,329
-	-	-	-	-	-	486,557
189	294	3,796	5,243	(3)	1,102	49,049
-	-	-	-	-	-	29,312
-	-	-	-	-	-	46,667
189	294	3,796	5,243	(3)	63,065	15,609,085
-	-	-	-	-	-	500
-	-	-	-	-	-	3,176,603
-	-	-	-	-	-	219,450
-	-	-	-	-	-	1,502,586
-	-	-	-	-	-	650,000
-	-	-	-	-	-	1,299,343
-	-	-	-	-	-	750
56,344	99,949	1,967,381	2,078,149	11,500	-	11,628,806
56,344	99,949	1,967,381	2,078,149	11,500	-	18,478,038
(56,155)	(99,655)	(1,963,585)	(2,072,906)	(11,503)	63,065	(2,868,953)
-	-	-	1,986,316	-	-	2,723,970
-	-	-	-	(274)	-	(3,247,014)
-	-	-	-	-	-	290,563
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	1,986,316	(274)	-	(232,481)
(56,155)	(99,655)	(1,963,585)	(86,590)	(11,777)	63,065	(3,101,434)
98,709	155,137	2,094,650	1,971,681	11,777	334,587	18,467,627
$ 42,554	$ 55,482	$ 131,065	$ 1,885,091	$ -	$ 397,652	$ 15,366,193

CITY OF COPPELL, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DONATIONS SPECIAL REVENUE FUND
FOR YEAR ENDED SEPTEMBER 30, 2016

	Donations			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Charge for Services	$ 5,000	$ 650	$ 700	$ 50
Interest Income	-	200	282	82
Contributions	26,500	19,400	17,267	(2,133)
Total Revenues	31,500	20,250	18,249	(2,001)
EXPENDITURES:				
Current				
Public Safety	2,500	15,401	15,401	-
Culture and Recreation		10,503	10,807	(304)
Capital Outlay	-	20	17	3
Total Expenditures	2,500	25,924	26,225	(301)
Excess (Deficiency) of Revenues Over (Under) Expenditures	29,000	(5,674)	(7,976)	(2,302)
FUND BALANCES, October 1	187,299	187,299	187,299	-
FUND BALANCES, September 30	$ 216,299	$ 181,625	$ 179,323	$ (2,302)

CITY OF COPPELL, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PARK SPECIAL REVENUE FUND
FOR YEAR ENDED SEPTEMBER 30, 2016

	Park			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Licenses, Fees and Permits	$ -	$ 86,095	$ 86,095	$ -
Interest Income	100	750	1,535	785
Total Revenues	100	86,845	87,630	785
EXPENDITURES:				
Current				
Culture and Recreation	100,000	33,950	33,950	-
Capital Outlay		44,081	44,081	-
Total Expenditures	100,000	78,031	78,031	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(99,900)	8,814	9,599	785
FUND BALANCES, October 1	476,748	476,748	476,748	-
FUND BALANCES, September 30	$ 376,848	$ 485,562	$ 486,347	$ 785

CITY OF COPPELL, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
POLICE SPECIAL REVENUE FUND
FOR YEAR ENDED SEPTEMBER 30, 2016

	Police			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Intergovernmental	$ -	6,732	6,732	$ -
Fines and Forfeitures	6,200	26,643	37,745	11,102
Interest Income	200	650	897	247
Contributions	10,000	10,000	12,045	2,045
Total Revenues	16,400	44,025	57,419	13,394
EXPENDITURES:				
Current				
Public Safety	113,000	119,122	85,782	33,340
Capital Outlay	8,750	44,272	44,197	75
Total Expenditures	121,750	163,394	129,979	33,415
Excess (Deficiency) of Revenues Over (Under) Expenditures	(105,350)	(119,369)	(72,560)	46,809
FUND BALANCES, October 1	358,154	358,154	358,154	-
FUND BALANCES, September 30	$ 252,804	$ 238,785	$ 285,594	$ 46,809

CITY OF COPPELL, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CHILD SAFETY SPECIAL REVENUE FUND
FOR YEAR ENDED SEPTEMBER 30, 2016

	Child Safety			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Fines and Forfeitures	$ 8,500	$ 8,500	$ 10,259	$ 1,759
Total Revenues	8,500	8,500	10,259	1,759
EXPENDITURES:				
Current				
Public Safety	15,000	15,000	8,476	6,524
Total Expenditures	15,000	15,000	8,476	6,524
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,500)	(6,500)	1,783	8,283
FUND BALANCES, October 1	73,476	73,476	73,476	-
FUND BALANCES, September 30	$ 66,976	$ 66,976	$ 75,259	$ 8,283

CITY OF COPPELL, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CRIME PREVENTION SPECIAL REVENUE FUND
FOR YEAR ENDED SEPTEMBER 30, 2016

	Crime Prevention			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Taxes, Penalties and Interest	$ 4,350,000	4,529,405	4,615,901	$ 86,496
Interest Income	2,500	20,000	23,486	3,486
Total Revenues	4,352,500	4,549,405	4,639,387	89,982
EXPENDITURES:				
Current				
Public Safety	3,175,575	3,251,813	2,809,605	442,208
Capital Outlay	199,931	221,126	202,745	18,381
Total Expenditures	3,375,506	3,472,939	3,012,350	460,589
Excess of Revenues Over Expenditures	976,994	1,076,466	1,627,037	550,571
OTHER FINANCING USES:				
Transfer Out	(34,300)	(117,936)	(110,359)	7,577
Total Other Financing Uses	(34,300)	(117,936)	(110,359)	7,577
Excess of Revenues over Expenditures and Other Financing Uses	942,694	958,530	1,516,678	558,148
FUND BALANCES, October 1	7,108,297	7,108,297	7,108,297	-
FUND BALANCES, September 30	$ 8,050,991	$ 8,066,827	$ 8,624,975	$ 558,148

CITY OF COPPELL, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MUNICIPAL COURT SPECIAL REVENUE FUND
FOR YEAR ENDED SEPTEMBER 30, 2016

	Municipal Court			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Fines and Forfeitures	$ 20,000	$ 25,000	$ 24,476	$ (524)
Interest Income	-	250	514	264
Total Revenues	20,000	25,250	24,990	(260)
EXPENDITURES:				
Current				
Public Safety	-	-	-	-
Total Expenditures	-	-	-	-
Excess of Revenues Over Expenditures	20,000	25,250	24,990	(260)
FUND BALANCES, October 1	239,120	239,120	239,120	-
FUND BALANCES, September 30	$ 259,120	$ 264,370	$ 264,110	$ (260)

CITY OF COPPELL, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
RED LIGHT ENFORCEMENT SPECIAL REVENUE FUND
FOR YEAR ENDED SEPTEMBER 30, 2016

	Red Light Enforcement			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Fines and Forfeitures	$ 300,000	$ 375,000	$ 327,861	$ (47,139)
Interest Income	100	1,400	1,821	421
Total Revenues	300,100	376,400	329,682	(46,718)
EXPENDITURES:				
Current				
Public Safety	252,000	252,000	213,214	38,786
Total Expenditures	252,000	252,000	213,214	38,786
Excess of Revenues Over Expenditures	48,100	124,400	116,468	(7,932)
OTHER FINANCING USES:				
Transfer Out	(31,500)	(31,500)	(30,845)	655
Total Other Financing Uses	(31,500)	(31,500)	(30,845)	655
Excess of Revenues Over Expenditures and Other Uses	16,600	92,900	85,623	(7,277)
FUND BALANCES, October 1	495,428	495,428	495,428	-
FUND BALANCES, September 30	$ 512,028	$ 588,328	$ 581,051	$ (7,277)

CITY OF COPPELL, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
JUVENILE CASE MANAGER SPECIAL REVENUE FUND
FOR YEAR ENDED SEPTEMBER 30, 2016

	Juvenile Case Manager			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Fines and Forfeitures	$ 35,000	$ 50,000	$ 48,773	$ (1,227)
Total Revenues	35,000	50,000	48,773	(1,227)
EXPENDITURES:				
Current				
Public Safety	5,000	5,000	331	4,669
Total Expenditures	5,000	5,000	331	4,669
Excess of Revenues Over Expenditures	30,000	45,000	48,442	3,442
FUND BALANCES, October 1	108,406	108,406	108,406	-
FUND BALANCES, September 30	$ 138,406	$ 153,406	$ 156,848	$ 3,442

CITY OF COPPELL, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COURT TECHNOLOGY SPECIAL REVENUE FUND
FOR YEAR ENDED SEPTEMBER 30, 2016

	Court Technology			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Fines and Forfeitures	$ 24,000	$ 35,000	$ 32,634	$ (2,366)
Interest Income	-	250	379	$ 129
Total Revenues	24,000	35,250	33,013	(2,237)
EXPENDITURES:				
Current				
Public Safety	23,000	37,113	31,515	5,598
Capital Outlay	49,625	49,625	49,382	243
Total Expenditures	72,625	86,738	80,897	5,841
(Deficiency) of Revenues (Under) Expenditures	(48,625)	(51,488)	(47,884)	3,604
FUND BALANCES, October 1	194,917	194,917	194,917	-
FUND BALANCES, September 30	$ 146,292	$ 143,429	$ 147,033	$ 3,604

CITY OF COPPELL, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
TREE PRESERVATION SPECIAL REVENUE FUND
FOR YEAR ENDED SEPTEMBER 30, 2016

	Tree Preservation			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Licenses, Fees and Permits	$ -	$ 60,250	$ 60,250	$ -
Interest Income	250	1,500	1,583	83
Total Revenues	250	61,750	61,833	83
EXPENDITURES:				
Current				
Culture and Recreation	125,000	125,000	124,922	78
Total Expenditures	125,000	125,000	124,922	78
Deficiency of Revenues Under Expenditures	(124,750)	(63,250)	(63,089)	161
OTHER FINANCING USES:				
Transfer Out		(600,000)	(600,000)	-
Total Other Financing Uses	-	(600,000)	(600,000)	-
Deficiency of Revenues Under Expenditures and Other Uses	(124,750)	(663,250)	(663,089)	161
FUND BALANCES, October 1	850,430	850,430	850,430	-
FUND BALANCES, September 30	$ 725,680	$ 187,180	$ 187,341	$ 161

CITY OF COPPELL, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
RECREATION DEVELOPMENT CORPORATION #1 SPECIAL REVENUE FUND
FOR YEAR ENDED SEPTEMBER 30, 2016

	Recreation Development Corporation #1			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Interest Income	$ 1,000	$ 1,000	$ 367	$ (633)
Total Revenues	1,000	1,000	367	(633)
EXPENDITURES:				
Current				
Culture and Recreation	-	48,874	55,274	(6,400)
Capital Outlay	-	451,528	454,886	(3,358)
Total Expenditures	-	500,402	510,160	(9,758)
Excess of Revenues Over Expenditures	1,000	(499,402)	(509,793)	(10,391)
FUND BALANCES, October 1	571,826	571,826	571,826	-
FUND BALANCES, September 30	$ 572,826	$ 72,424	$ 62,033	$ (10,391)

CITY OF COPPELL, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
RECREATION DEVELOPMENT CORPORATION #2 SPECIAL REVENUE FUND
FOR YEAR ENDED SEPTEMBER 30, 2016

	Recreation Development Corporation #2			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Taxes, Penalties and Interest	$ 6,811,934	$ 7,158,676	$ 7,378,907	$ 220,231
Interest Income	500	3,000	2,815	(185)
Total Revenues	6,812,434	7,161,676	7,381,722	220,046
EXPENDITURES:				
Current				
Culture and Recreation	45,905	774,522	769,555	4,967
Capital Outlay	-	6,441,398	6,322,071	119,327
Total Expenditures	45,905	7,215,920	7,091,626	124,294
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,766,529	(54,244)	290,096	344,340
OTHER FINANCING SOURCES (USES):				
Transfer In	-	737,655	737,654	(1)
Transfer Out	(2,384,177)	(2,505,536)	(2,505,536)	-
Total Other Financing Sources (Uses)	(2,384,177)	(1,767,881)	(1,767,882)	(1)
Excess (Deficiency) of Revenues and Other Sources over (Under) Expenditures and Other Uses	4,382,352	(1,822,125)	(1,477,786)	344,339
FUND BALANCES, October 1	1,703,290	1,703,290	1,703,290	-
FUND BALANCES, September 30	$ 6,085,642	$ (118,835)	$ 225,504	$ 344,339

CITY OF COPPELL, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
JUDICIAL EFFICIENCY SPECIAL REVENUE FUND
FOR YEAR ENDED SEPTEMBER 30, 2016

	Judicial Efficiency			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Fines and Forfeitures	$ 4,000	$ 4,800	$ 4,809	$ 9
Total Revenues	4,000	4,800	4,809	9
EXPENDITURES:				
Current				
Public Safety	-	2,475	2,475	-
Total Expenditures	-	2,475	2,475	-
Excess of Revenues Over Expenditures	4,000	2,325	2,334	9
FUND BALANCES, October 1	10,458	10,458	10,458	-
FUND BALANCES, September 30	$ 14,458	$ 12,783	$ 12,792	$ 9

CITY OF COPPELL, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ECONOMIC DEVELOPMENT FOUNDATION SPECIAL REVENUE FUND
FOR YEAR ENDED SEPTEMBER 30, 2016

	Economic Development Foundation			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Interest Income	$ -	$ 600	$ 573	$ (27)
Total Revenues	-	600	573	(27)
EXPENDITURES:				
Capital Outlay	-	412,437	290,563	121,874
Total Expenditures	-	412,437	290,563	121,874
Deficiency of Revenues Under Expenditures	-	(411,837)	(289,990)	121,847
OTHER FINANCING SOURCES:				
Sale of City Property	-	412,437	290,563	(121,874)
Total Other Financing Sources	-	412,437	290,563	(121,874)
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures	-	600	573	(27)
FUND BALANCES, October 1	11,482	11,482	11,482	-
FUND BALANCES, September 30	$ 11,482	$ 12,082	$ 12,055	$ (27)

CITY OF COPPELL, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DRAINAGE UTILITY DISTRICT SPECIAL REVENUE FUND
FOR YEAR ENDED SEPTEMBER 30, 2016

	Drainage Utility District			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Licenses, Fees and Permits	$ 235,000	$ 235,000	$ 243,567	$ 8,567
Interest Income	300	2,000	2,636	636
Total Revenues	235,300	237,000	246,203	9,203
EXPENDITURES:				
Current				
Public Works	284,358	281,544	219,450	62,094
Total Expenditures	284,358	281,544	219,450	62,094
Excess (Deficiency) of Revenues Over (Under) Expenditures	(49,058)	(44,544)	26,753	71,297
FUND BALANCES, October 1	935,257	935,257	935,257	-
FUND BALANCES, September 30	$ 886,199	$ 890,713	$ 962,010	$ 71,297

CITY OF COPPELL, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ROLLING OAKS CEMETERY SPECIAL REVENUE FUND
FOR YEAR ENDED SEPTEMBER 30, 2016

	Rolling Oaks Cemetery			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Charges for Services	$ 445,000	$ 601,000	$ 593,666	$ (7,334)
Interest Income	-	$ 500	$ 384	$ (116)
Miscellanous Income (Lease Revenue)	46,667	46,667	46,667	-
Total Revenues	491,667	648,167	640,717	(7,450)
EXPENDITURES:				
Current				
Culture and Recreation	830,426	731,646	518,382	213,264
Capital Outlay	40,000	7,728	7,541	187
Total Expenditures	870,426	739,374	525,923	213,451
Excess (Deficiency) of Revenues Over (Under) Expenditures	(378,759)	(91,207)	114,794	206,001
FUND BALANCES, October 1	399,117	399,117	399,117	-
FUND BALANCES, September 30	$ 20,358	$ 307,910	$ 513,911	$ 206,001

CITY OF COPPELL, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
RECREATION DEVELOPMENT CORPORATION DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Recreation Development Corporation			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Taxes, Penalties and Interest	$ 1,949,725	$ 1,949,725	$ 1,949,719	$ (6)
Interest Income	50	1,500	1,156	(344)
Total Revenues	1,949,775	1,951,225	1,950,875	(350)
EXPENDITURES:				
Principal Retirement	650,000	650,000	650,000	-
Interest and Fiscal Charges	1,299,719	1,299,719	1,299,343	376
Bond Issuance Costs	-	750	750	-
Total Expenditures	1,949,719	1,950,469	1,950,093	376
Excess of Revenues Over Expenditures	56	756	782	26
FUND BALANCES, October 1	77,381	77,381	77,381	-
FUND BALANCES, September 30	$ 77,437	$ 78,137	$ 78,163	$ 26

CITY OF COPPELL, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ROLLING OAKS CEMETERY PERPETUAL CARE PERMANENT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Perpetual Care - Rolling Oaks Cemetery			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Charges for Services	$ -	$ 61,650	$ 61,963	$ 313
Interest Income	-	1,200	1,102	(98)
Total Revenues	-	62,850	63,065	215
EXPENDITURES:				
Current				
Culture and Recreation	-	-	-	-
Total Expenditures	-	-	-	-
Excess of Revenues Over Expenditures	-	62,850	63,065	215
FUND BALANCES, October 1	334,587	334,587	334,587	-
FUND BALANCES, September 30	$ 334,587	$ 397,437	$ 397,652	$ 215

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DEBT SERVICE FUNDS

Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources for and payment of principal, interest and other related costs on long-term debt.

General Obligation Fund - To account for debt service activities pertaining to general City indebtedness.

CITY OF COPPELL, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL OBLIGATION DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	General Obligation			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Taxes, Penalties and Interest	$ 8,424,102	$ 8,501,264	$ 8,467,163	$ (34,101)
Interest Income	1,500	5,000	4,622	(378)
Total Revenues	8,425,602	8,506,264	8,471,785	(34,479)
EXPENDITURES:				
Principal Retirement	6,160,000	6,160,000	6,160,000	-
Interest and Fiscal Charges	2,309,731	2,309,731	2,309,731	-
Bond Issuance Costs	5,000	101,341	97,841	3,500
Total Expenditures	8,474,731	8,571,072	8,567,572	3,500
Deficiency of Revenues Under Expenditures	(49,129)	(64,808)	(95,787)	(30,979)
OTHER FINANCING SOURCES (USES):				
Transfers In	-	275	274	(1)
Proceeds of Refunding Bonds	-	4,405,000	4,405,000	-
Premium on Refunding Bonds Issued	-	275,168	275,168	-
Payment to Refunded Bond Escrow Agent	-	(4,582,327)	(4,582,327)	-
Total Other Financing Sources (Uses)	-	98,116	98,115	-
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(49,129)	33,308	2,328	(30,979)
FUND BALANCES, October 1	931,744	931,744	931,744	-
FUND BALANCES, September 30	$ 882,615	$ 965,052	$ 934,072	$ (30,979)

INTERNAL SERVICE FUND

Internal Service Fund

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies on a cost-reimbursement basis.

Self Funded Health Fund – To account for the self funded health program provided by the City to its employees at no cost to the employees, and to their dependents, on a subsidized cost basis.

Capital Replacement Fund – To provide for capital fleet replacements based on the fleet services replacement schedule.

CITY OF COPPELL, TEXAS

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2016

	Self-Funded Health Fund	Capital Replacement Fund	Total Internal Service Funds
ASSETS			
Cash	$ 670,236	$ 638,938	$ 1,309,174
Investments	1,016,409	-	1,016,409
Receivables:			
Accounts	84,307	-	84,307
Due From Other Funds	56,514	-	56,514
Total Assets	$ 1,827,466	$ 638,938	$ 2,466,404
LIABILITIES AND NET POSITION			
Liabilities:			
Claims Liability	$ 523,717	$ -	$ 523,717
Accounts Payable	48,780	-	48,780
Total Liabilities	572,497	-	572,497
Net Position:			
Unrestricted	1,254,969	638,938	1,893,907
Total Net Position	1,254,969	638,938	1,893,907
Total Liabilities and Net Position	$ 1,827,466	$ 638,938	$ 2,466,404

CITY OF COPPELL, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Self-Funded Health Fund	Capital Replacement Fund	Total Internal Service Funds
OPERATING REVENUES:			
City and Employee Contributions	$ 5,417,432	$ -	$ 5,417,432
Total Operating Revenues	5,417,432	-	5,417,432
OPERATING EXPENSES:			
Claims	4,015,995	-	4,015,995
Contractual Services and Charges	676,391	-	676,391
Wellness Program	246,905	-	246,905
Total Operating Expenses	4,939,291	-	4,939,291
Operating Income	478,141	-	478,141
NON-OPERATING REVENUES (EXPENSES):			
Interest Income	5,632	-	5,632
Net Non-Operating Revenues	5,632	-	5,632
Loss Before Operating Transfers	483,773	-	483,773
Operating Transfers	-	444,672	444,672
Change in Net Position	483,773	444,672	928,445
NET POSITION - OCTOBER 1	771,196	194,266	965,462
NET POSITION - SEPTEMBER 30	$ 1,254,969	$ 638,938	$ 1,893,907

CITY OF COPPELL, TEXAS

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Self-Funded Health Fund	Capital Replacement Fund	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received from City and Employee Contributions	$ 5,516,169	$ -	$ 5,516,169
Cash Payments for Claims	(4,309,552)		(4,309,552)
Cash Payments for Contractual Services and Charges	(676,391)	-	(676,391)
Cash Payments for Wellness Program	(270,581)	-	(270,581)
Net Cash Used in Operating Activities	259,645	-	259,645
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers from Other Funds	-	444,672	444,672
Due from Other Funds	(56,514)		(56,514)
Net Cash Provided by Financing Activities	(56,514)	444,672	388,158
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from Maturities of Investments	495,259	-	495,259
Purchase of Investments			-
Interest Received	6,139	-	6,139
Net Cash Provided by Investing Activities	501,398	-	501,398
Net Increase (Decrease) in Cash and Cash Equivalents	704,529	444,672	1,149,201
Cash and Cash Equivalents at October 1	982,116	194,266	1,176,382
Cash and Cash Equivalents at September 30	$ 1,686,645	$ 638,938	$ 2,325,583
RECONCILIATION OF OPERATING LOSS TO CASH USED IN OPERATING ACTIVITIES:			
Operating Income	$ 478,141	-	478,141
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:			
Decrease in Receivables	98,737	-	98,737
Decrease in Accounts Payable	(23,676)	-	(23,676)
Decrease in Unpaid Claims	(293,557)	-	(293,557)
Net Cash Used in Operating Activities	$ 259,645	$ -	$ 259,645
RECONCILIATION OF CASH AND INVESTMENTS TO THE STATEMENT OF NET POSITION:			
Cash	$ 670,236	$ 638,938	$ 1,309,174
Investments (TexPool & TexStar Only)	1,016,409	-	1,016,409
Total	$ 1,686,645	$ 638,938	$ 2,325,583

FIDUCIARY FUNDS

Agency Funds

Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, other governmental agencies and/or other funds.

Health Reimbursement Arrangement Fund - To account for contributions and disbursements on behalf of members of the Health Reimbursement Arrangement.

CITY OF COPPELL, TEXAS

COMBINING BALANCE SHEET
AGENCY FUND
SEPTEMBER 30, 2016
(UNAUDITED)

	Health Reimbursement Arrangement	Total Agency Fund
ASSETS		
Cash	$ -	$ -
Investments With Fiscal Agents	881,380	881,380
Interest Receivable	159	159
Total Assets	$ 881,539	$ 881,539
LIABILITIES		
Due to Other Funds	$ 56,514	$ 56,514
Due to Members	825,025	825,025
Total Liabilities	$ 881,539	$ 881,539

CITY OF COPPELL, TEXAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

HEALTH REIMBURSEMENT ARRANGEMENT

	October 1, 2015	Additions	Deductions	September 30, 2016
ASSETS				
Cash	$ 196,563	$ 98,167	$ 294,730	$ -
Investments With Fiscal Agents	915,662	1,752	36,034	881,380
Interest Receivable	286	159	286	159
Total Assets	$ 1,112,511	$ 100,078	$ 331,050	$ 881,539
LIABILITIES				
Due to Other Funds	$ -	$ 56,514	$ -	$ 56,514
Due to Members	1,112,511	3,938	291,424	825,025
Total Liabilities	$ 1,112,511	$ 60,452	$ 291,424	$ 881,539

THE · CITY · OF
COPPELL
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STATISTICAL SECTION
(Unaudited)

The Statistical Section presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health. It includes five categories of information: Financial Trends (tables 1-4), Revenue Capacity (tables 5-8), Debt Capacity (tables 9-12), Demographic and Economic Information (tables 13-14), Operating Information (tables 15-17) and Other Information (tables 18).

Financial Trends: These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity: These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt Capacity: These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information: These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information: These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF COPPELL, TEXAS
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

Table 1
Continued

	Fiscal Year			
	2007	2008	2009	2010
Governmental activities				
Invested in capital assets	$ 122,461,398	$ 123,554,097	$ 126,392,092	$ 129,054,811
Restricted	16,076,384	19,647,864	17,396,237	16,856,903
Unrestricted	25,450,327	36,869,101	44,867,307	51,273,344
Total governmental activities net position	$ 163,988,109	$ 180,071,062	$ 188,655,636	$ 197,185,058
Business-type activities				
Invested in capital assets	$ 53,539,712	$ 55,481,306	$ 56,214,931	$ 56,714,441
Restricted	1,013,832	854,750	573,612	-
Unrestricted	12,588,303	12,021,025	11,519,826	11,538,139
Total business-type activities net position	$ 67,141,847	$ 68,357,081	$ 68,308,369	$ 68,252,580
Primary government				
Invested in capital assets (net of related debt)	$ 176,001,110	$ 179,035,403	$ 182,607,023	$ 185,769,252
Restricted	17,090,216	20,502,614	17,969,849	16,856,903
Unrestricted	38,038,630	48,890,126	56,387,133	62,811,483
Total primary government net position	$ 231,129,956	$ 248,428,143	$ 256,964,005	$ 265,437,638

Source: Comprehensive Annual Financial Reports

Table 1
Concluded

Fiscal Year					
2011	2012	2013	2014	2015	2016
$ 132,486,958	$ 139,216,837	$ 146,884,231	$ 162,396,572	$ 174,154,246	$ 206,573,165
15,507,985	14,215,021	16,197,843	19,461,531	36,624,804	35,491,006
57,017,841	67,413,142	71,522,318	70,424,813	43,774,048	25,903,669
$ 205,012,784	$ 220,845,000	$ 234,604,392	$ 252,282,916	$ 254,553,098	$ 267,967,840
$ 54,715,252	$ 53,267,995	$ 51,997,091	$ 52,898,936	$ 51,981,002	$ 50,560,535
-	-	-	-	-	-
13,383,652	13,639,474	14,259,074	12,430,654	11,526,561	11,277,823
$ 68,098,904	$ 66,907,469	$ 66,256,165	$ 65,329,590	$ 63,507,563	$ 61,838,358
$ 187,202,210	$ 192,484,832	$ 198,881,322	$ 215,295,508	$ 226,135,248	$ 257,133,700
15,507,985	14,215,021	16,197,843	19,461,531	36,624,804	35,491,006
70,401,493	81,052,616	85,781,392	82,855,467	55,300,609	37,181,492
$ 273,111,688	$ 287,752,469	$ 300,860,557	$ 317,612,506	$ 318,060,661	$ 329,806,198

CITY OF COPPELL, TEXAS
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS
(accrual basis of accounting)
(Unaudited)

Table 2
Continued

	Fiscal Year				
	2007	2008	2009	2010	2011
Expenses					
Governmental activities:					
General government	$ 8,159,210	$ 7,543,472	$ 8,073,852	$ 7,320,716	$ 7,488,957
Public safety	17,847,857	19,435,526	21,214,955	21,709,084	21,916,606
Public works	13,310,551	14,063,913	14,702,576	15,147,268	17,260,038
Cultural and recreation	7,951,627	8,530,087	9,471,090	10,165,547	10,052,119
Bond issuance costs	-	-	-	-	-
Interest on long term debt	4,016,781	3,044,723	4,166,700	3,867,967	3,801,639
Total government activities expenses	51,286,026	52,617,721	57,629,173	58,210,582	60,519,359
Business-type activities:					
Water	9,294,027	9,598,552	9,726,361	9,414,972	10,321,349
Sewer	4,251,149	4,526,911	4,745,520	4,689,046	5,051,327
Total business-type activities expenses	13,545,176	14,125,463	14,471,881	14,104,018	15,372,676
Total primary government expenses	64,831,202	66,743,184	72,101,054	72,314,600	75,892,035
Program Revenues					
Governmental activities					
Charges for Services:					
General government	1,959,418	2,134,692	2,197,573	2,005,333	2,286,723
Public safety	4,282,887	4,148,569	3,689,843	3,560,223	3,638,478
Public works	955,262	1,347,809	1,167,054	943,367	1,236,423
Cultural and recreation	1,855,724	1,911,413	1,640,224	1,831,170	2,304,323
Operating grants and contributions	908,856	1,408,728	89,584	92,873	163,481
Capital grants and contributions	277,946	4,073,408	828,651	3,239,870	112,626
Total governmental activities program revenues	10,240,093	15,024,619	9,612,929	11,672,836	9,742,054
Business-type activities:					
Charges for services:					
Water	7,749,674	9,189,531	9,029,688	8,533,445	10,262,665
Sewer	4,091,030	4,370,700	4,376,234	4,212,161	4,541,282
Capital grants and contributions	206,610	1,266,414	614,857	1,017,634	143,600
Total business-type activities program revenues	12,047,314	14,826,645	14,020,779	13,763,240	14,947,547
Total primary government program revenues	22,287,407	29,851,264	23,633,708	25,436,076	24,689,601
Net (Expenses) Revenue					
Governmental Activities	(41,045,933)	(37,593,102)	(48,016,244)	(46,537,746)	(50,777,305)
Business-type Activities	(1,497,862)	701,182	(451,102)	(340,778)	(425,129)
Total Primary government net expense	(42,543,795)	(36,891,920)	(48,467,346)	(46,878,524)	(51,202,434)
General Revenues and Other Changes in Net Assets					
Governmental Activities:					
Property Tax	27,586,594	29,680,060	30,755,509	31,136,217	33,203,622
Sales Tax	13,472,785	15,844,302	20,871,179	19,355,038	20,731,979
Franchise Tax	4,233,419	3,475,697	3,333,841	3,416,063	3,534,410
Investment Earnings	3,395,858	3,056,560	836,383	254,957	160,715
Miscellaneous	469,916	1,393,446	773,186	849,828	925,029
(Loss)/Gain on Sale of capital assets	140,856	75,990	30,720	55,065	49,276
Transfers	150,000	150,000	-	-	-
Total Governmental Activities	49,449,428	53,676,055	56,600,818	55,067,168	58,605,031
Business-type Activities:					
Investment Earnings	954,900	638,929	289,761	151,266	155,481
Miscellaneous	36,706	25,123	108,428	133,723	92,149
Gain on Sale of capital assets	-	-	-	-	23,823
Transfers	(150,000)	(150,000)	4,201	-	-
Total Business-type Activities	841,606	514,052	402,390	284,989	271,453
Total Primary Government	50,291,034	54,190,107	57,003,208	55,352,157	58,876,484
Change in Net Position					
Governmental Activities	8,403,495	16,082,953	8,584,574	8,529,422	7,827,726
Business-type Activities	(656,256)	1,215,234	(48,712)	(55,789)	(153,676)
Total Primary Government	$ 7,747,239	$ 17,298,187	$ 8,535,862	$ 8,473,633	$ 7,674,050

Source: Comprehensive Annual Financial Reports

Table 2
Concluded

Fiscal Year				
2012	2013	2014	2015	2016
$ 7,763,532	$ 8,332,043	$ 9,344,697	$ 10,220,976	$ 10,703,347
22,085,919	23,420,063	23,587,427	25,269,499	26,574,260
14,400,466	18,566,784	18,963,274	21,997,180	20,040,386
10,798,583	11,129,531	12,246,721	14,659,086	14,162,493
-	-	-	929,977	254,203
3,777,159	3,705,832	3,301,001	3,372,392	3,309,550
58,825,659	65,154,253	67,443,120	76,449,110	75,044,239
10,530,702	10,752,543	10,458,923	10,050,476	10,822,513
5,091,282	5,260,198	5,550,940	5,899,121	6,137,822
15,621,984	16,012,741	16,009,863	15,949,597	16,960,335
74,447,643	81,166,994	83,452,983	92,398,707	92,004,574
2,342,257	2,363,037	2,076,301	1,351,225	1,088,093
4,577,417	4,204,689	4,460,670	4,493,415	4,269,496
1,325,830	1,726,202	1,271,744	737,619	1,117,925
2,441,964	3,077,773	2,842,723	2,680,553	2,772,976
145,601	40,164	44,046	58,957	29,312
2,081,223	2,312,920	8,039,088	9,264,802	3,711,097
12,914,292	13,724,785	18,734,572	18,586,571	12,988,899
9,225,558	9,216,262	8,683,272	8,686,979	9,468,559
4,417,757	4,469,654	4,430,144	4,359,606	4,874,744
526,515	727,006	1,700,243	1,171,695	388,357
14,169,830	14,412,922	14,813,659	14,218,280	14,731,660
27,084,122	28,137,707	33,548,231	32,804,851	27,720,559
(45,911,367)	(51,429,468)	(48,708,548)	(57,862,539)	(62,055,340)
(1,452,154)	(1,599,819)	(1,196,204)	(1,731,317)	(2,228,675)
(47,363,521)	(53,029,287)	(49,904,752)	(59,593,856)	(64,284,015)
33,131,485	33,180,127	33,392,778	34,077,476	36,279,008
23,081,666	26,696,689	28,014,382	30,250,169	33,794,720
3,633,893	3,790,673	4,073,248	4,213,325	4,264,029
116,596	436,570	382,434	137,436	456,745
1,705,724	988,004	744,785	404,138	546,169
74,219	96,797	399,266	449,885	107,913
-	-	-	12,411	21,498
61,743,583	65,188,860	67,006,893	69,544,840	75,470,082
149,593	146,147	111,272	113,939	192,447
111,126	785,671	174,480	199,596	380,390
-	16,697	-	29,276	8,131
-	-	-	(12,411)	(21,498)
260,719	948,515	285,752	330,400	559,470
62,004,302	66,137,375	67,292,645	69,875,240	76,029,552
15,832,216	13,759,392	18,298,345	11,682,301	13,414,742
(1,191,435)	(651,304)	(910,452)	(1,400,917)	(1,669,205)
$ 14,640,781	$ 13,108,088	$ 17,387,893	$ 10,281,384	$ 11,745,537

CITY OF COPPELL, TEXAS
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

Table 3
Continued

	Fiscal Year			
	2007	2008	2009	2010
General Fund				
Reserved*	$ 4,905,294	$ 5,520,941	$ 5,336,688	$ -
Unreserved	17,925,683	25,294,476	30,905,811	-
Nonspendable:				
Prepaids	-	-	-	69,743
10% Reserve of Next Fiscal Year's Budget	-	-	-	4,382,798
Restricted For:				
City Charter Required Reserves	-	-	-	-
Emergency 911	-	-	-	532,360
Public educational government channel	-	-	-	-
Public education about solid waste	-	-	-	-
Land Sales for Debt Service	-	-	-	1,032,461
Improvements / maintenance of recreation facilities, trails, drainage & streetscapes	-	-	-	2,712,122
By Grant for Town Center Windows	-	-	-	180,000
Committed To:				
15% Fund Balance per Policy	-	-	-	6,574,198
Revenue Threats	-	-	-	-
Public works project	-	-	-	-
Debt Service - Proposed Issues	-	-	-	529,695
Bethel II Loan-Phase II	-	-	-	-
Cemetery	-	-	-	100,000
Citywide Radio Replacement (FCC Regulation)	-	-	-	1,500,000
Improvements / maintenance of recreation facilities, trails, drainage & streetscapes	-	-	-	-
Recreational programs and services	-	-	-	-
Economic Development	-	-	-	-
Assigned To:				
Capital projects	-	-	-	-
Designated for One Time Sales Tax PMT	-	-	-	1,000,000
Old Town Incentive Program	-	-	-	100,000
Northlake Dam Repairs	-	-	-	-
Bethel II Loan	-	-	-	2,000,000
Phase II - Branding Project	-	-	-	-
Software Upgrades	-	-	-	-
Service Center Expansion -Phase I	-	-	-	-
Quad-City Joint Training Facility	-	-	-	-
Landscape Town Center Campus-Phase I	-	-	-	-
Council Chamber AV Upgrade	-	-	-	-
Animal Shelter Renovation	-	-	-	-
Purchase & Renovate Facility	-	-	-	-
Unassigned	-	-	-	18,902,481
Total general fund	$ 22,830,977	$ 30,815,417	$ 36,242,499	$ 39,615,858

Note: *Includes encumbrances and prepaid items
The City implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" in fiscal year 2011. Fiscal year 2010 amounts restated to conform to the new statement requirement.

Source: Comprehensive Annual Financial Reports

CITY OF COPPELL, TEXAS
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

Table 3
Continued

	Fiscal Year					
	2011	2012	2013	2014	2015	2016
$	-	$ -	$ -	$ -	$ -	$ -
	-	-	-	-	-	-
	115,108	86,064	101,497	114,815	98,574	203,857
	4,446,075	4,593,771	4,867,173	5,290,290	-	-
	-	-	-	-	5,609,917	5,851,084
	644,425	552,203	201,702	185,681	222,600	379,104
	-	-	-	343,529	56,505	187,945
	-	-	-	-	11,381	13,850
	1,032,461	1,369,575	880,884	-	-	-
	6,431,621	8,312,465	13,415,674	12,534,411	11,553,092	10,507,021
	-	-	-	-	-	-
	6,669,112	6,890,657	7,300,760	7,935,436	-	-
	-	-	-	1,533,342	-	-
	-	-	-	356,844	356,844	356,844
	450,000	428,625	-	-	-	-
	3,000,000	3,000,000	-	-	-	-
	100,000	-	-	-	-	-
	1,500,000	3,000,000	3,505,003	-	-	-
	-	-	-	2,600,000	3,475,371	3,396,193
	927,826	-	-	559,103	532,970	
	-	-	3,723,830	1,095,244	1,095,244	945,244
	-	-	-	-	4,901,400	4,013,140
	1,000,000	1,000,000	1,000,000	1,000,000	-	-
	100,000	100,000	100,000	100,000	-	-
	1,000,000	2,500,000	2,500,000	-	-	-
	-	-	-	-	-	-
	-	-	115,000	115,000	-	-
	-	-	250,000	250,000	-	-
	-	-	-	1,320,000	-	-
	-	-	-	638,000	-	-
	-	-	-	150,000	-	-
	-	-	-	150,000	-	-
	-	-	-	280,000	-	-
	-	653,071	1,027,000	-	-	-
	18,012,894	20,536,051	17,952,989	17,858,890	27,675,381	31,555,920
$	45,429,522	$ 53,022,482	$ 56,941,512	$ 54,410,585	$ 55,589,279	$ 57,410,202

CITY OF COPPELL, TEXAS
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

Table 3
Continued

	Fiscal Year			
	2007	2008	2009	2010
All Other Governmental Funds				
Reserved for:				
Prepaid items	$ -	$ 426	$ 300	$ -
Encumbrances	295,556	431,069	862,697	-
Capital Projects	18,861,072	18,326,126	17,493,042	-
Debt Service	1,431,170	1,300,183	1,172,699	-
Perpetual Care	-	-	23,792	-
Unreserved, reported in:				
Special revenue funds	13,923,522	18,133,480	21,941,250	-
Nonspendable:				
Prepaids	-	-	-	250
Permanent fund - Perpetual Care Fund	-	-	-	-
Restricted For:				
Public Safety	-	-	-	4,518,780
Fire	-	-	-	-
Police	-	-	-	-
Animal shelter	-	-	-	-
Child safety programs	-	-	-	-
Crime prevention programs and services	-	-	-	-
Court security	-	-	-	-
Traffic and signal enforcement / improvements	-	-	-	-
Juvenile case manager	-	-	-	-
Court technology	-	-	-	-
Judicial efficiency	-	-	-	-
Culture and Recreation	-	-	-	9,004,631
Recycling	-	-	-	-
Community garden / farmer's market	-	-	-	-
Library	-	-	-	-
Parks	-	-	-	-
Art Center	-	-	-	-
Tennis Center	-	-	-	-
Senior Center	-	-	-	-
Improvements / maintenance of recreation facilities	-	-	-	-
Improvements / maintenance of recreation facilities, trails, drainage & streetscapes	-	-	-	-
Economic Development	-	-	-	1,000
Capital Projects	-	-	-	8,696,329
Debt Service	-	-	-	975,928
Perpetual Care	-	-	-	46,315
Committed To:				
Culture and Recreation	-	-	-	1,747,219
Parks	-	-	-	-
Rolling Oaks Cemetery	-	-	-	-
Tree preservation	-	-	-	-
Economic Development	-	-	-	42,000
Public Works	-	-	-	10,867,814
Infrastructure maintenance	-	-	-	-
Storm water control development	-	-	-	-
Unassigned	-	-	-	(3,473)
Total all other governmental funds	$ 34,511,320	$ 38,191,284	$ 41,493,780	$ -

Note: *Includes encumbrances and prepaid items
The City implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" in fiscal year 2011.
Fiscal year 2010 amounts restated to conform to the new statement requirement.

Source: Comprehensive Annual Financial Reports

CITY OF COPPELL, TEXAS
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

Table 3
Concluded

Fiscal Year					
2011	2012	2013	2014	2015	2016
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
30,156	6,389	36,788	1,950	300,630	3,929
-	-	-	-	334,587	397,652
5,253,915	6,384,172	7,455,586	8,410,324	-	-
-	-	-	-	11,956	13,943
-	-	-	-	357,854	285,058
-	-	-	-	17,813	13,908
-	-	-	-	73,476	75,259
-	-	-	-	6,815,032	8,624,975
-	-	-	-	239,120	264,110
-	-	-	-	495,428	581,051
-	-	-	-	108,406	156,848
-	-	-	-	194,917	147,033
-	-	-	-	10,458	12,792
6,258,561	3,727,507	4,112,434	4,506,434	-	-
-	-	-	-	62,851	63,651
-	-	-	-	1,526	1,528
-	-	-	-	31,348	32,390
-	-	-	-	13,844	14,774
-	-	-	-	33,165	21,848
-	-	-	-	-	1,003
-	-	-	-	6,881	7,493
-	-	-	-	571,826	62,033
-	-	-	-	1,703,290	225,504
2,540	4,119	5,624	6,796	7,865	8,785
21,860,776	15,246,081	23,068,169	18,066,714	43,958,412	28,622,899
896,168	963,227	916,961	1,150,585	1,009,125	1,012,235
78,042	105,983	150,536	243,855	-	-
876,160	697,077	1,272,183	1,721,015	-	-
-	-	-	-	476,748	486,347
-	-	-	-	397,667	510,518
-	-	-	-	850,430	187,341
3,836	12,389	11,933	11,254	11,482	12,055
11,740,449	15,135,433	14,921,787	15,479,525	-	-
-	-	-	-	13,625,914	14,403,249
-	-	-	-	935,257	962,010
(2,762)	(5,995)	-	-	-	-
$ 46,997,841	$ 42,276,382	$ 51,952,001	$ 49,598,452	$ 72,657,308	$ 57,212,221

CITY OF COPPELL, TEXAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual of accounting)
(Unaudited)

Table 4
Continued

	Fiscal Year			
	2007	2008	2009	2010
Revenues:				
Taxes, Penalties and Interest	$ 46,263,575	$ 49,047,083	$ 55,287,165	$ 53,898,890
Licenses, Fees and Permits	2,275,172	2,415,322	1,678,325	1,658,830
Intergovernmental	277,946	2,598	175,311	321,204
Charges for Services	4,357,090	4,682,557	4,754,621	4,600,543
Fines and Forfeitures	2,114,830	2,426,526	2,224,850	2,135,788
Interest Income	2,564,005	3,074,729	823,991	214,409
Contributions	908,856	1,406,130	57,704	295,459
Miscellaneous	610,772	1,388,453	755,152	818,853
Total Revenues	59,372,246	64,443,398	65,757,119	63,943,976
Expenditures				
Current				
General Government	7,652,188	7,216,005	7,666,099	6,825,819
Public Safety	16,399,797	18,442,930	19,663,535	20,078,748
Public Works	4,755,169	5,696,010	5,749,170	6,089,002
Culture and Recreation	6,798,806	7,420,595	8,106,921	8,658,606
Debt Service:				
Capital Lease Principal Portion	426,720	392,134	267,071	8,148
Capital Lease Interest Portion	41,252	25,618	11,612	1,656
Principal Retirement	4,437,391	5,185,035	5,240,008	6,560,000
Interest and Fiscal Charges	3,579,410	3,694,823	3,883,410	3,873,613
Bond Issuance Costs	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
Capital Outlay	9,831,760	14,869,678	32,621,052	13,980,985
Total Expenditures	53,922,493	62,942,828	83,208,878	66,076,577
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	5,449,753	1,500,570	(17,451,759)	(2,132,601)
OTHER FINANCING SOURCES (USES):				
Transfers In	4,867,323	4,718,303	6,190,738	7,638,727
Transfers Out	(4,967,323)	(4,568,303)	(6,190,738)	(7,815,794)
Proceeds from Capital Lease	38,900	-	-	-
Proceeds from Sale of Capital Assets	-	921,977	48,754	86,040
Discount on General Obligation Debt	-	-	(367,416)	-
Issuance of General Obligation Debt	-	-	26,500,000	-
Issuance of Certificates of Obligation Debt	-	9,091,857	-	-
Premium on General Obligation Debt	-	-	-	-
Issuance of Refunding Bonds	-	-	-	4,802,914
Premium on Refunding Bonds	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	(4,802,914)
Total Other Financing Sources (Uses)	(61,100)	10,163,834	26,181,338	(91,027)
NET CHANGE IN FUND BALANCES	$ 5,388,653	$ 11,664,404	$ 8,729,579	$ (2,223,628)
Debt service as a percentage of noncapital expenditures	19.8%	17.5%	13.8%	31.2%

Source: Comprehensive Annual Financial Reports

Table 4
Concluded

Fiscal Year					
2011	2012	2013	2014	2015	2016
$ 57,424,397	$ 59,931,585	$ 63,616,783	$ 65,480,692	$ 68,562,621	$ 74,374,878
1,911,363	2,962,755	3,598,450	2,755,025	3,141,519	2,942,642
209,034	573,440	189,100	2,886,157	4,978,173	3,346,486
5,768,299	6,233,847	6,252,263	5,805,289	4,676,369	4,730,901
1,640,927	1,502,533	1,392,266	1,571,891	1,621,043	1,686,344
144,834	115,389	435,485	381,697	136,319	451,114
51,154	138,703	644,875	2,296,979	722,978	29,312
893,045	1,290,575	988,004	744,785	546,072	546,169
68,043,053	72,748,827	77,117,226	81,922,515	84,385,094	88,107,846
6,816,522	7,141,775	7,628,696	8,455,424	9,126,708	12,154,462
19,898,395	20,072,371	21,106,537	21,482,054	22,753,812	21,224,318
8,470,887	6,712,651	10,641,240	11,295,050	13,824,686	12,632,686
8,426,540	8,806,961	9,310,449	10,348,305	12,604,219	11,895,649
8,957	4,034	-	-	-	-
847	51	-	-	-	-
6,525,000	7,295,000	9,120,000	8,380,000	7,545,000	6,810,000
3,669,034	3,755,273	3,667,884	3,406,048	3,432,566	3,609,074
-	-	-	88,388	335,839	94,606
-	-	-	-	65,135	-
12,353,419	17,081,285	12,450,094	24,998,997	23,964,883	45,278,822
66,169,601	70,869,401	73,924,900	88,454,266	93,652,848	113,699,617
1,873,452	1,879,426	3,192,326	(6,531,751)	(9,267,754)	(25,591,771)
4,741,030	6,661,623	9,538,585	15,376,991	6,218,068	9,000,280
(4,741,030)	(6,773,248)	(9,538,585)	(15,522,660)	(6,399,923)	(9,423,455)
-	-	-	-	-	-
81,260	1,103,700	697,323	1,830,833	2,140,151	637,055
-	-	-	-	-	-
14,960,000	-	9,615,000	-	29,025,000	-
-	-	-	-	-	10,680,000
-	-	907,331	162,986	2,463,269	975,886
6,498,275	-	7,660,000	6,560,000	21,380,000	4,405,000
-	-	-	-	2,035,990	275,168
(6,498,275)	-	(8,477,331)	(6,760,875)	(23,357,251)	(4,582,327)
15,041,260	992,075	10,402,323	1,647,275	33,505,304	11,967,607
$ 16,914,712	$ 2,871,501	$ 13,594,649	$ (4,884,476)	$ 24,237,550	$ (13,624,164)
19.0%	20.6%	20.7%	18.3%	15.8%	15.2%

THE · CITY · OF
COPPELL
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CITY OF COPPELL, TEXAS
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(Unaudited)

Table 5

Fiscal Year	Estimated Market Value		Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
	Real Property	Personal Property			
2007	4,216,115,090	976,521,120	912,838,663	4,279,797,547	0.64146
2008	4,548,010,100	1,016,848,960	956,099,696	4,608,759,364	0.64146
2009	4,777,502,933	983,473,386	945,296,083	4,815,680,236	0.64146
2010	4,772,929,255	1,011,517,590	939,596,475	4,844,850,370	0.64146
2011	4,756,891,450	888,722,767	837,175,991	4,808,438,226	0.69046
2012	4,758,234,316	928,408,834	888,458,232	4,798,184,918	0.69046
2013	4,841,227,663	1,158,496,491	1,054,362,383	4,945,361,771	0.67046
2014	5,039,706,247	1,331,729,530	1,170,006,763	5,201,429,014	0.63750
2015	5,486,401,719	1,474,732,621	1,344,781,638	5,616,352,702	0.60649
2016	6,011,691,777	1,770,518,414	1,606,612,216	6,175,597,975	0.58400

Source: Dallas Central Appraisal District

CITY OF COPPELL, TEXAS
DIRECT AND OVERLAPPING PROPERTY TAX RATES (per $100 of assessed value)
Last Ten Fiscal Years
(Unaudited)

Table 6
Continued

	City Direct Rates			Overlapping Rates	
Fiscal Year	Operating	Debt Service	Total Direct	Carrollton-Farmers Branch Independent School District	Lewisville Independent School District
2007	0.48278	0.15868	0.64146	1.68300	1.64000
2008	0.47616	0.16530	0.64146	1.36700	1.37000
2009	0.49577	0.14569	0.64146	1.36230	1.38000
2010	0.49577	0.14569	0.64146	1.34220	1.40870
2011	0.49577	0.19469	0.69046	1.34690	1.42670
2012	0.49577	0.19469	0.69046	1.35680	1.42600
2013	0.46571	0.20475	0.67046	1.33060	1.45300
2014	0.43750	0.20000	0.63750	1.32350	1.47700
2015	0.44249	0.16400	0.60649	1.30330	1.47700
2016	0.44808	0.13592	0.58400	1.28170	1.47673

Note:
(a) Dallas County includes Dallas County, Dallas County Hospital District, and Dallas County Community College District
(b) Denton County includes Denton County, Denton County Levee District No.1, and Denton County Road Utility District

Source: Individual Taxing Entities

Table 6
Concluded

Overlapping Rates				
Coppell Independent School District	Dallas County (a)	Denton County (b)	Northwest Dallas County Flood Control District No.1	Irving Flood Control District No.3
1.59900	0.553934	0.80692	0.30000	0.225386
1.26900	0.567214	0.79089	0.30000	0.271991
1.27900	0.576428	0.78079	0.30000	0.263350
1.28340	0.602212	0.76480	0.30000	0.274000
1.42420	0.623330	0.60740	0.30000	0.274000
1.42420	0.623770	0.55086	0.30000	0.134000
1.41880	0.643412	0.49987	0.30000	0.139000
1.43240	0.653800	0.46991	0.30000	0.142100
1.44900	0.663875	0.45720	0.30000	0.144100
1.43900	0.662750	0.44700	0.30000	0.128000

CITY OF COPPELL, TEXAS
PRINCIPAL PROPERTY TAX PAYERS
Current Year and Nine Years Ago
(Unaudited)

Table 7

2016			2007		
Taxpayer	Taxable Assessed Value (a)	Percentage of Total City Taxable Assessed Value	Taxpayer	Taxable Assessed Value (b)	Percentage of Total City Taxable Assessed Value
Duke Secured Financial	$ 75,711,000	1.23 %	Duke Realty	$ 86,929,473	2.03 %
St Marin Apartments II LLC	69,500,000	1.13	Verizon	54,087,080	1.26
JP Morgan	43,869,190	0.71	Minyard Food Stores	44,396,560	1.04
AP WP Lake Reit LLC	42,000,000	0.68	St Marin Karrington LP	39,197,310	0.92
LIT HW1 LP	38,461,700	0.62	D & H Distribution	37,580,060	0.88
Staples Contract and Commercial	36,161,640	0.59	Western Rim Investors	26,900,170	0.63
McKesson Medical Surgical Inc.	33,226,370	0.54	Primera Coppell	25,588,170	0.60
Duke Realty Corp.	33,076,930	0.54	Gulf Unites Ind	25,189,927	0.59
Oaks Riverchase LP	31,000,000	0.50	Texas Utilities Elec. Co.	24,971,260	0.58
Industrial Property Fund VII LP	29,919,490	0.48	McKesson Corp	24,476,975	0.57
Total	$ 432,926,320	7.02 %		$ 389,316,985	9.10 %

a) Total taxable value including real and personal property for tax year 2015 (fiscal year 2016) is $6,175,597,975
b) Total taxable value including real and personal property for tax year 2006 (fiscal year 2007) is $4,279,797,547.

Source: City's Certified Tax Roll

CITY OF COPPELL, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years
(Unaudited)

Table 8

Fiscal Year	Taxes Levied Within the Fiscal Year of the Levy	Adjustments to Levy in Subsequent Years	Adjusted Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections	
				Amount	Percentage of Levy		Amount	Percentage of Levy
2007	$ 27,484,057	$ 53,613	$ 27,537,670	$ 27,370,067	99.59	$ 164,892	$ 27,534,959	99.99
2008	29,579,456	(128,816)	29,450,640	29,458,551	99.59	(10,952)	29,447,599	99.99
2009	30,894,059	(74,325)	30,819,734	30,763,871	99.58	51,561	30,815,432	99.99
2010	31,081,595	(26,168)	31,055,427	30,939,342	99.54	110,417	31,049,759	99.98
2011	33,223,179	10,615	33,233,794	33,049,527	99.48	150,084	33,199,611	99.90
2012	33,129,547	113,690	33,243,237	32,999,557	99.61	211,072	33,210,629	99.90
2013	33,156,672	73,954	33,230,626	33,009,932	99.56	178,126	33,188,058	99.87
2014	33,159,110	(68,573)	33,090,537	33,026,805	99.60	17,729	33,044,534	99.86
2015	34,032,671	(70,259)	33,962,412	33,946,330	99.75	(22,821)	33,923,509	99.89
2016	36,072,197	-	36,072,197	35,976,226	99.73	-	35,976,226	99.73

Source: City of Coppell Tax Department

CITY OF COPPELL, TEXAS
RATIO OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
(Unaudited)

Table 9
(Continued)

Fiscal Year	Governmental Activities				
	General Obligation Bonds (1)	Certificates of Obligation (1)	General Obligation Refunding Bonds (1)	Other Obligations	Capital Leases
2006	$ 17,865,000	$ 9,322,434	$ 34,505,000	$ 6,990,000	$ 1,068,164
2007	16,825,000	8,365,043	32,515,000	6,540,000	680,344
2008	15,750,000	16,095,008	30,240,000	6,075,000	288,210
2009	15,060,000	41,765,000	27,010,000	5,585,000	21,139
2010	14,350,000	37,040,000	26,455,000	5,075,000	12,991
2011	13,615,000	43,695,000	29,505,000	4,540,000	4,034
2012	12,855,000	41,195,000	26,030,000	3,980,000	-
2013	3,802,396	48,061,525	28,971,652	3,395,000	-
2014	2,974,697	44,358,335	25,260,051	2,780,000	-
2015	205,093	26,025,659	41,994,026	33,171,139	-
2016	-	30,510,523	43,177,799	32,410,872	-

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. See Table 13 for personal income and population data.

1) Presented net of original issuance discounts and premiums

Table 9
(Concluded)

Business-Type Activities						
Water and Sewer Revenue Bonds	Refunding Revenue Bonds	General Obligation Refunding Bonds (1)	Total Primary Government	Percentage of Personal Income		Per Capita
$ 2,290,000	$ 7,780,000	$ -	$ 79,820,598	4.11	%	$ 2,036
1,815,000	6,385,000	-	73,125,387	3.82		1,858
1,310,000	4,930,000	-	74,688,218	3.99		1,888
1,215,000	2,975,000	-	93,631,139	4.94		2,367
-	-	2,165,118	85,098,109	4.41		2,141
-	-	1,891,772	93,250,806	5.22		2,394
-	-	1,608,425	85,668,425	4.60		2,193
-	-	1,315,079	85,545,652	4.70		2,188
-	-	1,145,000	76,518,083	4.08		1,943
-	-	805,000	102,200,917	5.49		2,563
-	-	455,000	106,554,194	4.98		2,643

CITY OF COPPELL, TEXAS
RATIO OF GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years
(Unaudited)

Table 10

Fiscal Year	General Bonded Debt Outstanding: General Obligation Bonds	General Obligation Refunding Bonds	Certificates of Obligations	Sales Tax Revenue Bonds	Less: Amount Available in Debt Service Funds (1)	Total	Percentage of Actual Taxable Value of Property	Per Capita
2007	$ 16,825,000	$ 32,515,000	$ 8,365,043	$ 6,540,000	$ 1,364,332	$ 62,880,711	1.47 %	$ 1,597
2008	15,750,000	30,240,000	16,095,008	6,075,000	1,225,901	66,934,107	1.45	1,692
2009	15,060,000	27,010,000	41,765,000	5,585,000	1,172,699	88,247,301	1.83	2,230
2010	14,350,000	26,455,000	37,040,000	5,075,000	899,473	82,020,527	1.69	2,063
2011	13,615,000	29,505,000	43,695,000	4,540,000	819,423	90,535,577	1.88	2,324
2012	12,855,000	26,030,000	41,195,000	3,980,000	886,206	83,173,794	1.73	2,129
2013	3,802,396	28,971,652	48,061,525	3,395,000	839,753	83,390,820	1.69	2,133
2014	2,974,697	25,260,051	44,358,335	2,780,000	1,073,452	74,299,631	1.43	1,887
2015	205,093	41,994,026	26,025,659	33,171,139	1,009,125	100,386,792	1.79	2,517
2015	-	43,177,799	30,510,523	32,410,872	1,012,235	105,086,959	1.70	2,607

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
See Table 5 for property value data.
See Table 13 for population data.
(1) This is the amount restricted for debt service principal payments

CITY OF COPPELL, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
SEPTEMBER 30, 2016
(Unaudited)

Table 11

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable to Coppell (1)	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Dallas County	$ 227,980,000	3.060 %	$ 6,976,188
Coppell Independent School District	288,134,166	61.620	177,548,273
Carrollton-Farmers Branch Independent School District	244,625,000	2.490	6,091,163
Dallas County Community College District	294,050,000	3.060	8,997,930
Dallas County Hospital District	718,480,000	3.060	21,985,488
Dallas County Schools	50,405,000	3.060	1,542,393
Denton County	608,895,000	0.180	1,096,011
Denton County LID No. 1	8,645,000	19.460	1,682,317
Irving Flood Control District Section III	420,000	5.000	21,000
Lewisville Independent School District	1,086,640,601	0.480	5,215,875
Grapevine-Colleyville ISD	470,887,687	0.150	706,332
Northwest Dallas County Flood Control District No. 1	15,835,000	100.000	15,835,000
Subtotal, overlapping debt			247,697,970
City of Coppell, direct debt	106,099,194	100.00	106,099,194
Total Direct and Overlapping Debt			$ 353,797,164

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of each entity's taxable assessed value that is within the City's boundaries and dividing it by each entity's total taxable assessed value.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City of Coppell. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Coppell. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and therefore responsible for repaying the debt of each overlapping government.

Source: Texas Municipal Reports provided by the Municipal Advisory Council of Texas. The reports provide the total debt outstanding and the percentage of debt applicable to the City.

Table 12

COMPUTATION OF LEGAL DEBT MARGIN
SEPTEMBER 30, 2016
(Unaudited)

The City Charter of the City of Coppell, Texas does not provide for a Debt Limit; therefore, no computation can be made.

CITY OF COPPELL, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years
(Unaudited)

Table 13

Year	Estimated Population	Personal Income	Per Capital Personal Income	Median Age	School Enrollment	Unemployment Rate
2007	39,367	$ 1,912,370,126	$ 48,578	34	9,839	3.6 %
2008	39,565	1,870,554,070	47,278	33	9,930	4.5
2009	39,565	1,894,965,675	47,895	34	9,960	7.2
2010	39,750	1,929,027,750	48,529	34	10,004	6.8
2011	38,950	1,787,960,800	45,904	31	10,168	6.7
2012	39,070	1,863,209,230	47,689	38	10,676	5.7
2013	39,090	1,821,906,720	46,608	38	11,323	5.6
2014	39,380	1,876,693,280	47,656	38	11,561	4.7
2015	39,880	1,863,034,080	46,716	38	11,867	3.4
2016	40,310	2,137,719,920	53,032	38	12,368	3.8

Sources:
(1) City's Planning Department
(2) Coppell Independent School District
(3) Texas Workforce Commission

CITY OF COPPELL, TEXAS
PRINCIPAL EMPLOYERS,
Current Year and Nine Years Ago
(Unaudited)

Table 14

2016			2007		
Employer	Employees	Percentage of Total City Employment	Employer	Employees	Percentage of Total City Employment
U.S. Postal Service - Processing & Distrib. Cent	1,621	6.55 %	U.S. Postal Service - Bulk Mail Center	2,000	11.76 %
Coppell Independent School District	1,320	5.33	Coppell Independent School District	1,200	7.06
AAA of Texas	1,200	4.85	Citifinancial Mortgage	1,085	6.38
DaVita Rx	1,200	4.85	IBM	800	4.71
Verizon Service Center	1,200	4.85	Avaya Telecommunications, Inc	550	3.24
Genco	900	3.64	The Container Store	484	2.85
The Container Store	770	3.11	Tom Thumb	370	2.18
IBM	600	2.42	City of Coppell	360	2.12
Brinks	500	2.02	U.S. Postal Service	300	1.76
City of Coppell	433	1.75	Mannatech Inc.	242	1.42
Total	9,744	39.36 %		7,391	43.48 %

Source: City of Coppell Economic Development, Texas Workforce Commission, North Central Texas Council of Governments

CITY OF COPPELL, TEXAS
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM,
Last Ten Fiscal Years
(Unaudited)

Table 15

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government	36	36	36	37	37	36	36.5	36.5	39.5	54.5
Public Safety	190	193	194	194	194	194	194	196	202	186
Public Works	38	41	41	41	41	40	43	42.5	41.5	52.25
Culture and Recreation	92.22	91.22	93.22	92.72	93.72	93.72	110.57	111.64	109.14	114.89
Water and Sewer	23	23	23	23	23	24	24	24.5	24.5	23.75
Total	379.22	384.22	387.22	387.72	388.72	387.72	408.07	411.14	416.64	431.39

Source: City Budget Office

CITY OF COPPELL, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years
(Unaudited)

Table 16
Continued

Function/Program	Fiscal Year 2007	2008	2009	2010	2011
Public Safety					
Police					
Number of Employees	79	80	80	80	80
Number of Violations (Citations)	17,480	19,288	17,227	18,349	16,436
Fire					
Number of Employees	85	83	87	80	83
Number of Fire Runs	1,086	1,031	1,130	1,104	1,322
Number of EMS Runs	1,437	1,364	1,344	1,408	1,543
Public Works					
Streets					
Street Resurfacing (miles)	3.79	-	1	-	-
Streets - Paved (miles)	1.19	0.87	-	-	2
Streets - Paved (Square Yards)	N/A	N/A	N/A	2,179	47,137
Alleys - Paved (miles)	-	-	-	-	-
Potholes Repaired	44	204	100	78	286
Traffic Signals	-	3	4	1	-
Streetlights	TXU	TXU	TXU	TXU	TXU
Street Miles (Centerline)	1.19	0.87	3	-	-
Lane Miles Added	6.13	3.48	5	-	-
Street Miles	371	375.00	380	394	394
Cultural and Recreational					
Parks and Recreation					
Coppell Aquatic & Recreational Center (CARC) Memberships	805	923	1,374	1,414	1,530
Participants in CARC Programs	2,805	3,600	2,792	3,945	4,303
Participants in Adult Athletic Programs	1,386	1,247	1,358	1,206	1,143
Participants in Youth Athletic Programs	8,731	8,657	8,296	8,018	6,641
Number of Playgrounds	7	7	7	8	8
Number of Tennis Courts	8	8	8	8	12
Number of Swimming Pools	2	5	5	5	5
Senior Center	1	1	1	1	1
Recreation Centers	1	1	1	1	1
Library					
Volumes in Collection	93,629	91,235	93,848	92,437	93,911
Rolling Oaks Memorial Center					
Spaces Sold	-	-	171	97	128
Monument Rights	-	-	10	2	-
Niches Sold	-	-	8	-	19
Interments	-	-	14	31	40
Markers Sold	-	-	8	28	28
Benches Sold	-	-	-	-	-
Vases Sold	-	-	2	8	11
Urns Sold	-	-	1	-	-
Mausoleums Sold	-	-	-	-	1
Water and Sewer					
Number of Water Consumers	12,028	12,094	12,165	12,308	12,357
Average Daily Water Consumption (gallons)	6,819,364	8,062,046	8,088,600	7,450,510	8,978,682
Maximum Storage Capacity (gallons)	13,500,000	13,500,000	13,500,000	13,500,000	13,500,000
Number of Sewer Connections	11,142	11,167	11,226	11,339	11,396
Daily Average Treatment (gallons)	3,391,932	3,456,202	3,237,753	3,601,806	3,326,398

Source: City Departments
Notes: N/A - Data not available.
TXU - maintains the street lights.

Table 16
Concluded

Fiscal Year				
2012	2013	2014	2015	2016
80	80	80	85	75
16,611	13,788	12,112	13,996	16,383
86	86	85	87	86
1,043	1,054	1,359	1,153	1,274
1,672	1,676	1,832	1,973	2,078
-	-	-	-	-
1	1	-	-	3
15,740	13,393	12,241	42,519	32,675
-	-	-	3	5
308	99	70	94	312
-	2	-	1	1
TXU	TXU	TXU	TXU	259
1	-	2	1	1
2	3	4	3	6
396	396	403	406	407
2,123	2,406	4,846	8,160	12,975
4,416	4,550	11,603	30,881	4,633
1,126	1,045	1,220	912	775
6,344	6,109	6,102	-	-
8	8	9	9	9
12	12	12	12	12
5	5	5	5	5
1	1	1	1	1
1	1	1	1	1
92,902	95,672	93,733	124,612	88,601
83	101	953	481	226
-	5	-	-	-
19	24	29	30	22
38	47	51	64	77
34	23	46	70	70
-	3	9	-	5
16	19	41	51	65
-	-	-	-	-
-	-	-	-	-
12,376	12,496	12,639	12,913	13,137
8,447,866	8,449,060	7,856,167	7,617,968	8,742,418
13,500,000	13,500,000	13,500,000	13,500,000	13,500,000
11,407	11,506	11,587	11,806	12,012
3,512,334	3,274,384	3,314,819	4,706,030	4,587,737

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CITY OF COPPELL, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years
(Unaudited)

Table 17

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Police Patrol Units	31	31	37	41	40	41	41	41	43	48
Police Motorcycle Units	6	6	6	5	5	5	5	4	5	5
Fire Stations	3	3	3	3	3	3	3	3	3	3
Development Services										
Streets - Paved (miles)	1	1	2	-	2	2	2	-	-	-
Cultural and Recreational										
Parks (acres)	457	545	545	545	545	545	545	545	545	545
Number of Playgrounds	7	7	7	8	8	8	8	9	9	9
Number of Tennis Courts	8	8	8	8	12	12	12	12	12	16
Number of Swimming Pools	2	5	5	5	5	5	5	5	5	5
Senior Center	1	1	1	1	1	1	1	1	1	1
Recreation Centers	1	1	1	1	1	1	1	1	1	1
Water and Sewer										
Water Mains (miles)	181	182	190	190	190	191	193	199	200	202
Water System Valves	4,158	4,296	4,559	4,671	4,754	4,815	4,922	5,104	5,234	5,444
Manholes	2,485	2,512	2,435	2,457	2,482	2,516	2,557	2,689	2,725	2,748
Fire Hydrants	1,511	1,565	1,632	1,657	1,677	1,693	1,728	1,805	1,831	1,841
Sanitary Sewers (miles)	165	166	162	163	165	166	170	188	189	191

Source: City Departments

CITY OF COPPELL, TEXAS
ACTIVE AND RETIREE HEALTH INSURANCE COSTS
Last Ten Fiscal Years
(Unaudited)

Table 18
Continued

Fiscal Year	Total Health Plan Expenses	Retiree Expense	Percentage Retiree Costs to Total	Active Members	Retirees Using City Health Plan	Total TMRS Retirees
2007	$ 2,185,616	$ 5,325	0.24 %	330	3	60
2008	2,389,205	2,628	0.11	333	2	72
2009	2,370,409	811	0.03	359	2	79
2010	2,795,150	71,656	2.56	352	5	88
2011	1,844,695	3,496	0.19	345	4	100
2012	1,377,355	7,885	0.57	342	4	113
2013	2,213,461	-	0.00	342	3	124
2014	2,604,296	12,705	0.49	342	4	124
2015	3,851,117	105,561	2.74	362	5	156
2016	3,517,312	181,733	5.17	355	4	182
Total	$ 25,148,616	$ 391,800	1.56 %			
Average	$ 2,514,861.60	$ 39,180		346	4	110

Source: City Records, Third Party Administrator Records, Texas Municipal Retirement System (TMRS)

Table 18
Concluded

Percentage Retirees Using Plan to Total Members		Retiree Contributions	Net Subsidy of Retirees	Subsidy as Percentage of Total Expense		Cost per Active Member	Cost per Retiree
5.00	%	29,799	24,474	459.61	%	$ 6,623	$ 1,775
2.78		13,620	10,992	418.26		7,175	1,314
2.53		15,734	14,923	1,840.07		6,603	406
5.68		20,191	(51,465)	(71.82)		7,941	14,331
4.00		29,446	25,950	742.28		5,347	874
3.54		30,942	23,057	292.42		4,027	1,971
2.42		21,903	21,903	-		6,472	-
3.23		31,797	19,092	150.27		7,615	3,176
3.21		55,327	(50,234)	(47.59)		10,638	21,112
2.20		72,351	(109,382)	(60.19)		9,908	45,433
		$ 321,110	$ (70,690)	(18.04)	%	$ 72,349	$ 90,392
3.28	%	$ 32,111	$ (7,069)			$ 7,235	$ 9,039

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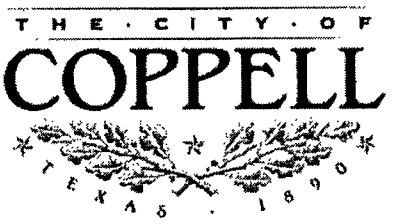
GENERAL FUND

General Fund

The General Fund is the general operating fund of the City. It is used to account for resources which are not required to be accounted for in other funds.


THE · CITY · OF
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CITY OF COPPELL, TEXAS

COMPARATIVE BALANCE SHEET - GENERAL FUND
SEPTEMBER 30, 2016 AND 2015
(UNAUDITED)

	2016	2015
ASSETS		
Cash	$ 3,144,994	$ 95,778
Investments	58,051,091	60,567,135
Receivables (net of allowances for uncollectables of $368,259 in 2016 and $346,256 in 2015):		
Taxes	2,536,480	2,644,330
Accounts	974,811	663,211
Interest	53,514	14,069
Due From Other Funds	9,811	-
Prepaid Items	203,857	98,574
Total Assets	$ 64,974,558	$ 64,083,097
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts Payable	$ 6,525,611	$ 6,523,981
Accrued Liabilities	449,176	1,143,124
Due To Other Funds	-	131,719
Retainage Payable	-	131,337
Deferred Revenue	1,100,978	1,096,627
Total Liabilities	8,075,765	9,026,788
Fund Balance:		
Non Spendable	203,857	98,574
Restricted	16,939,004	17,453,495
Committed	4,186,872	4,927,459
Assigned	4,013,140	4,901,400
Unassigned	31,555,920	27,675,381
Total Fund Balance	56,898,793	55,056,309
Total Liabilities and Fund Balance	$ 64,974,558	$ 64,083,097

CITY OF COPPELL, TEXAS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016
(WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015)
(UNAUDITED)

	2016			
	Budget	Actual	Variance Favorable (Unfavorable)	2015
REVENUES:				
Taxes, Penalties and Interest	$ 46,607,173	$ 47,302,860	$ 695,687	$ 42,225,701
Licenses, Fees and Permits	2,327,002	2,552,730	225,728	2,791,548
Intergovernmental	-	21,520	21,520	-
Charges for Services	4,126,000	4,074,572	(51,428)	3,870,908
Fines and Forfeitures	1,202,000	1,199,787	(2,213)	1,068,806
Interest Income	175,000	229,721	54,721	64,199
Miscellaneous	622,041	499,502	(122,539)	496,532
Total Revenues	55,059,216	55,880,692	821,476	50,517,694
EXPENDITURES:				
Current				
General Government				
Mayor and Council	517,332	398,273	119,059	424,091
City Administration	1,276,984	1,233,365	43,619	1,139,805
Legal Services	336,000	283,171	52,829	367,758
Economic Developement	514,433	461,524	52,909	261,793
Community Information	561,671	467,388	94,283	445,366
Finance	1,266,532	1,236,608	29,924	1,198,624
Tax Collections	341,636	256,790	84,846	285,680
Combined Services	1,741,016	933,429	807,587	966,702
Human Resources	1,498,294	1,490,918	7,376	1,267,839
Purchasing	188,085	159,816	28,269	172,296
City Secretary	342,859	334,527	8,332	244,442
Information Systems	2,108,269	2,088,549	19,720	2,352,217
Total General Government	10,693,111	9,344,358	1,348,753	9,126,613
Public Safety				
Fire	10,173,744	10,205,635	(31,891)	9,902,779
Life Safety Park	30,000	27,956	2,044	-
Emergency Management	256,040	251,408	4,632	256,336
Inspections	828,288	802,188	26,100	784,260
Environmental Health	410,951	360,065	50,886	361,783
Animal Services	462,879	466,233	(3,354)	422,139
Municipal Court	1,414,483	1,354,861	59,622	1,390,922
Police	7,389,888	7,388,974	914	7,020,620
Total Public Safety	20,966,273	20,857,320	108,953	20,138,839
Public Works				
Engineering	1,205,596	1,159,068	46,528	1,137,231
Facilities Management	1,802,061	1,662,682	139,379	1,426,313
Streets	1,111,353	992,316	119,037	955,917
Fleet Services	1,181,503	1,038,108	143,395	1,052,096
Traffic Control	1,190,802	1,085,160	105,642	1,035,593
Planning and Zoning	691,959	581,535	110,424	552,607
Total Public Works	7,183,274	6,518,869	664,405	6,159,757

(Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund) (Continued)
(UNAUDITED)

	2016			
	Budget	Actual	Variance Favorable (Unfavorable)	2015
Culture and Recreation				
Library	$ 1,823,000	$ 1,713,269	$ 109,731	$ 1,693,752
Parks and Recreation	8,967,267	8,679,794	287,473	8,027,968
Total Culture and Recreation	10,790,267	10,393,063	397,204	9,721,720
Capital Outlay	4,732,182	4,418,186	313,996	3,537,570
Total Expenditures	54,365,107	51,531,796	2,833,311	48,684,499
Excess of Revenues Over Expenditures	694,109	4,348,896	3,654,787	1,833,195
OTHER FINANCING SOURCES (USES):				
Proceeds from Sale of Capital Assets	486,002	346,492	(139,510)	1,104,742
Operating Transfers In	2,505,536	2,505,536	-	2,317,984
Operating Transfers Out	(5,250,079)	(5,358,440)	(108,361)	(4,051,094)
Total Other Financing Sources (Uses)	(2,258,541)	(2,506,412)	(247,871)	(628,368)
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(1,564,432)	1,842,484	3,406,916	1,204,827
FUND BALANCES - October 1	55,056,309	55,056,309	-	53,851,482
FUND BALANCES - September 30	$ 53,491,877	$ 56,898,793	$ 3,406,916	$ 55,056,309

THE · CITY · OF
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SPECIAL REVENUE FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Donations Fund - To account for donations received by the City with expenditures restricted to use for the library, parks, economic development and fire department programs.

Park Fund - To account for revenues that are restricted for park improvements.

Police Fund - To account for revenues restricted for special policing purposes.

Child Safety Fund - To account for revenues restricted for programs to enhance child safety.

Crime Prevention Fund – To account for revenue restricted for Crime Prevention programs which include the School Resource Officer Program, the Community Services Program and the Patrol Prevention Program.

Recreational Fund - To account for revenues that are restricted for recreational programs.

Municipal Court - To account for revenues that are restricted for Municipal Court security issues.

Red Light Enforcement Fund - To account for revenues that are restricted for traffic safety, pedestrian safety, public safety, intersection improvement, and traffic enforcement.

Juvenile Case Manager Fund – To account for revenues that are restricted for the necessary expenditures related to the position of Juvenile Case Manager.

Recreation Development Corporation #1 - To account for revenues which are restricted for the Coppell Recreation Development Corporation #1, a blended component unit of the City.

Recreation Development Corporation #2 - To account for revenues which are restricted for the Coppell Recreation Development Corporation #2, a blended component unit of the City.

Infrastructure Maintenance Fund - To account for revenues that are restricted for future maintenance of the City's infrastructure.

Court Technology Fund - To account for revenues that are restricted for financing the purchase of technological enhancements for the Municipal Court.

Tree Preservation Fund - To account for revenues that are restricted for tree preservation.

Judicial Efficiency Fund - To account for revenue restricted for uses that improve the efficiency of the administration of justice in the City.

Economic Development Foundation Fund - A blended component unit of the City of Coppell (the "City") established for the purpose of promoting economic development and business opportunities within the City.

Drainage Utility District - To account for revenues that are restricted for storm water control development.

Rolling Oaks Cemetery - To account for revenues that are restricted for the administration of the cemetery.

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CITY OF COPPELL, TEXAS

COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2016
(WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 2015) (Continued)
(UNAUDITED)

ASSETS	Donations	Park	Police	Child Safety	Crime Prevention	Recreational	Municipal Court	Red Light Enforcement	Juvenile Case Manager
Cash	$ 82,020	$ 118,201	$ 58,655	$ 74,341	$ 225	$ 39,073	$ 18,820	$ 3,491	$ 156,848
Investments	100,000	384,123	240,000	-	8,381,902	490,869	245,000	679,923	-
Receivables:	-	-	-	-	-	-	-	-	-
Taxes	-	-	-	-	382,992	-	-	-	-
Interest	118	9	284	-	994	237	290	60	-
Other	-	-	-	918	-	-	-	27,564	-
Due from Other Funds	-	-	-	-	-	-	-	-	-
Prepaid Items	-	-	536	-	-	-	-	-	-
Total Assets	$ 182,138	$ 502,333	$ 299,475	$ 75,259	$ 8,766,113	$ 530,179	$ 264,110	$ 711,038	$ 156,848
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts Payable	$ 2,815	$ 15,986	$ 13,881	$ -	$ 127,338	$ 18,771	$ -	$ 129,987	$ -
Due to Other Funds	-	-	-	-	-	-	-	-	-
Accrued Liabilities	-	-	-	-	13,800	-	-	-	-
Retainage Payable	-	-	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	-	-	-
Total Liabilities	2,815	15,986	13,881	-	141,138	18,771	-	129,987	-
Fund Balances:									
Non Spendable	-	-	536	-	-	-	-	-	-
Restricted For:									
Public Safety	27,851	-	285,058	75,259	8,624,975	-	264,110	581,051	156,848
Culture and Recreation	142,687	-	-	-	-	-	-	-	-
Economic Development	8,785	-	-	-	-	-	-	-	-
Committed For:									
Culture and Recreation	-	486,347	-	-	-	511,408	-	-	-
Economic Development	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-
Total Fund Balances	179,323	486,347	285,594	75,259	8,624,975	511,408	264,110	581,051	156,848
Total Liabilities and Fund Balances	$ 182,138	$ 502,333	$ 299,475	$ 75,259	$ 8,766,113	$ 530,179	$ 264,110	$ 711,038	$ 156,848

CITY OF COPPEI CITY OF COPPELL, TEXAS

COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2016
(WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 2015) (Concluded)
(UNAUDITED)

Recreation Development Corporation #1	Recreation Development Corporation #2	Infrastructure Maintenance Fund	Court Technology	Tree Preservation	Judicial Efficiency	Economic Development Foundation	Drainage Utility District	Rolling Oaks Cemetery	Totals - September 30, 2016	Totals - September 30, 2015
$ -	$ 82	$ 2	$ -	$ 7,128	$ 12,792	$ 133,928	$ 141,666	$ 501,057	$ 1,348,329	$ 2,032,898
112,927	123,883	14,419,887	151,335	180,000	-	-	800,855	-	26,310,704	26,618,694
-	-	-	-	-	-	-	-	-		
-	765,998	382,999	-	-	-	-	-	-	1,531,989	1,410,583
-	-	4,239	180	213	-	-	715	-	7,339	5,656
-	11,200	-	-	-	-	-	32,041	179,796	251,519	372,261
-	-	-	-	-	-	-	-	-	-	374,167
-	-	-	-	-	-	-	-	3,393	3,929	300,630
$ 112,927	$ 901,163	$ 14,807,127	$ 151,515	$ 187,341	$ 12,792	$ 133,928	$ 975,277	$ 684,246	$ 29,453,809	$ 31,114,889
$ 40,407	$ 385,273	$ 74,377	$ -	$ -	$ -	$ 121,873	$ 11,634	$ 13,647	$ 955,989	$ 2,344,226
-	-	-	4,482	-	-	-	-	-	4,482	242,448
-	-	2	-	-	-	-	1,633	3,488	18,923	83,134
10,487	290,386	329,499	-	-	-	-	-	-	630,372	305,665
-	-	-	-	-	-	-	-	153,200	153,200	251,262
50,894	675,659	403,878	4,482	-	-	121,873	13,267	170,335	1,762,966	3,226,735
-	-	-	-	-	-	-	-	3,393	3,929	300,630
-	-	-	147,033	-	12,792	-	-	-	10,174,977	8,324,460
62,033	225,504	-	-	-	-	-	-	-	430,224	2,424,731
-	-	-	-	-	-	-	-	-	8,785	7,865
-	-	-	-	187,341	-	-	-	510,518	1,695,614	2,257,815
-	-	-	-	-	-	12,055	-	-	12,055	11,482
-	-	14,403,249	-	-	-	-	962,010	-	15,365,259	14,561,171
62,033	225,504	14,403,249	147,033	187,341	12,792	12,055	962,010	513,911	27,690,843	27,888,154
$ 112,927	$ 901,163	$ 14,807,127	$ 151,515	$ 187,341	$ 12,792	$ 133,928	$ 975,277	$ 684,246	$ 29,453,809	$ 31,114,889

CITY OF COPPELL, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS - FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016
(WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015) (Continued)
(UNAUDITED)

	Donations	Park	Police	Child Safety	Crime Prevention	Recreational	Municipal Court	Red Light Enforcement	Juvenile Case Manager
REVENUES:									
Taxes, Penalties and Interest	$ -	-	-	-	4,615,901	$ -	$ -	$ -	$ -
Licenses, Fees and Permits	-	86,095	-	-	-	-	-	-	-
Intergovernmental	-	-	6,732	-	-	-	-	-	-
Charge for Services	700	-	-	-	-	-	-	-	-
Fines and Forfeitures	-	-	37,745	10,259	-	-	24,476	327,861	48,773
Interest Income	282	1,535	897	-	23,486	1,907	514	1,821	-
Contributions	17,267	-	12,045	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Total Revenues	18,249	87,630	57,419	10,259	4,639,387	1,907	24,990	329,682	48,773
EXPENDITURES:									
Current									
General Government	-	-	-	-	-	-	-	-	-
Public Safety	15,401	-	85,782	8,476	2,809,605	-	-	213,214	331
Public Works	-	-	-	-	-	-	-	-	-
Culture and Recreation	10,807	33,950	-	-	-	-	-	-	-
Capital Outlay	17	44,081	44,197	-	202,745	23,468	-	-	-
Total Expenditures	26,225	78,031	129,979	8,476	3,012,350	23,468	-	213,214	331
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,976)	9,599	(72,560)	1,783	1,627,037	(21,561)	24,990	116,468	48,442
OTHER FINANCING SOURCES (USES):									
Operating Transfers In	-	-	-	-	-	-	-	-	-
Operating Transfers Out	-	-	-	-	(110,359)	-	-	(30,845)	-
Proceeds from Sale of Capital Assets	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	(110,359)	-	-	(30,845)	-
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(7,976)	9,599	(72,560)	1,783	1,516,678	(21,561)	24,990	85,623	48,442
FUND BALANCES, October 1	187,299	476,748	358,154	73,476	7,108,297	$ 532,970	$ 239,120	$ 495,428	$ 108,406
FUND BALANCES, September 30	$ 179,323	486,347	285,594	75,259	8,624,975	$ 511,409	$ 264,110	$ 581,051	$ 156,848

CITY OF COPPELL, TEXAS

(Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
All Special Revenue Funds- For the Fiscal Year Ended September 30, 2016) Concluded
(UNAUDITED)

Recreation Development Corporation #1	Recreation Development Corporation #2	Infrastructure Maintenance Fund	Court Technology	Tree Preservation	Judicial Efficiency	Economic Development Foundation	Drainage Utility District	Rolling Oaks Cemetery	Totals - September 30 2016	Totals - September 30 2015
$ -	$ 7,378,907	$ 4,664,313	$ -	$ -	$ -	$ -	$ -	$ -	$ 16,659,121	$ 15,159,360
-	-	-	-	60,250	-	-	243,567	-	389,912	349,971
-	-	-	-	-	-	-	-	-	6,732	15,979
-	-	-	-	-	-	-	-	593,666	594,366	714,734
-	-	-	32,634	-	4,809	-	-	-	486,557	552,237
367	2,815	49,324	379	1,583	-	573	2,636	384	88,503	26,749
-	-	-	-	-	-	-	-	-	29,312	42,978
-	-	-	-	-	-	-	-	46,667	46,667	49,540
367	7,381,722	4,713,637	33,013	61,833	4,809	573	246,203	640,717	18,301,170	16,911,548
-	-	-	-	-	-	-	-	-	-	95
-	-	-	31,515	-	2,475	-	-	-	3,166,799	2,614,973
-	-	5,894,367	-	-	-	-	219,450	-	6,113,817	7,664,929
55,274	769,555	-	-	124,922	-	-	-	518,382	1,512,890	2,882,499
454,886	6,322,071	-	49,382	-	-	290,563	-	7,541	7,438,951	7,523,879
510,160	7,091,626	5,894,367	80,897	124,922	2,475	290,563	219,450	525,923	18,232,457	20,686,375
(509,793)	290,096	(1,180,730)	(47,884)	(63,089)	2,334	(289,990)	26,753	114,794	68,713	(3,774,827)
-	737,654	2,770,500	-	-	-	-	-	-	3,508,154	2,280,000
-	(2,505,536)	(818,000)	-	(600,000)	-	-	-	-	(4,064,740)	(2,348,829)
-	-	-	-	-	-	290,563	-	-	290,563	1,035,409
-	(1,767,882)	1,952,500	-	(600,000)	-	290,563	-	-	(266,023)	966,580
(509,793)	(1,477,786)	771,770	(47,884)	(663,089)	2,334	573	26,753	114,794	(197,310)	(2,808,247)
$ 571,826	$ 1,703,290	$ 13,631,479	$ 194,917	$ 850,430	$ 10,458	$ 11,482	$ 935,257	$ 399,117	27,888,154	30,696,401
$ 62,033	$ 225,504	$ 14,403,249	$ 147,033	$ 187,341	$ 12,792	$ 12,055	$ 962,010	$ 513,911	$ 27,690,844	$ 27,888,154

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DEBT SERVICE FUNDS

Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources for and payment of principal, interest and other related costs on long-term debt.

General Obligation Fund - To account for debt service activities pertaining to general City indebtedness.

Recreation Development Corporation - To account for debt service activities relating to indebtedness of the Coppell Recreation Development Corporation, a blended component unit of the City.

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CITY OF COPPELL, TEXAS

COMBINING BALANCE SHEET - ALL DEBT SERVICE FUNDS
SEPTEMBER 30, 2016
(WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 2015)
(UNAUDITED)

ASSETS	General Obligation	Recreation Development Corporation	Totals - September 30, 2016	Totals - September 30, 2015
Cash	$ -	$ -	$ -	$ 82,892
Investments	945,329	78,163	1,023,492	936,233
Receivables (net of allowances for uncollectables of $62,509 in 2016 and $65,166 in 2015):				
Taxes	68,388	-	68,388	85,361
Total Assets	$ 1,013,717	$ 78,163	$ 1,091,880	$ 1,104,486
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	$ 1,648	$ -	$ 1,648	$ 5,344
Due to Other Funds	5,329	-	5,329	-
Accrued Interest	-	-	-	376
Deferred Revenue	72,668	-	72,668	89,641
Total Liabilities	79,645	-	79,645	95,361
Fund Balances:				
Restricted for:				
Debt Service	934,072	78,163	1,012,235	1,009,125
Total Fund Balances	934,072	78,163	1,012,235	1,009,125
Total Liabilities and Fund Balances	$ 1,013,717	$ 78,163	$ 1,091,880	$ 1,104,486

CITY OF COPPELL, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL DEBT SERVICE FUNDS - FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016
(WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015)
(UNAUDITED)

	General Obligation	Recreation Development Corporation	Totals - September 30, 2016	Totals - September 30, 2015
REVENUES:				
Taxes, Penalties and Interest	$ 8,467,163	$ 1,949,719	$ 10,416,882	$ 11,177,560
Interest Income	4,622	1,156	5,778	781
Total Revenues	8,471,785	1,950,875	10,422,660	11,178,341
EXPENDITURES:				
Principal Retirement	6,160,000	650,000	6,810,000	7,545,000
Interest and Fiscal Charges	2,309,731	1,299,343	3,609,074	3,432,566
Bond Issuance Costs	97,841	750	98,591	335,839
Payment to Refunded Bond Escrow Agent	-	-	-	65,135
Total Expenditures	8,567,572	1,950,093	10,517,665	11,378,540
Excess (Deficiency) of Revenues Over (Under) Expenditures	(95,787)	782	(95,005)	(200,199)
OTHER FINANCING SOURCES (USES):				
Transfers In	274	-	274	-
Proceeds of Refunding Bonds	4,405,000	-	4,405,000	21,380,000
Premium on Refunding Bonds Issued	275,168	-	275,168	2,035,990
Payment to Refunded Bond Escrow Agent	(4,582,327)	-	(4,582,327)	(23,357,251)
Total Other Financing Sources (Uses)	98,115	-	98,115	58,739
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures	2,328	782	3,110	(141,460)
FUND BALANCES - October 1	931,744	77,381	1,009,125	1,150,585
FUND BALANCES - September 30	$ 934,072	$ 78,163	$ 1,012,235	$ 1,009,125

CAPITAL PROJECTS FUNDS

Capital Projects Funds

Capital Projects Funds are used to account for financial resources used for the acquisition and construction of capital facilities (other than those financed by proprietary funds).

Streets Fund - To account for the financing and construction of various street construction projects.

Park Improvement Fund - To account for financing and capital improvement of and for City parks.

Drainage Fund - To account for financing and construction of various drainage projects within the City.

Cemetery Fund - To account for the financing and construction of a City Cemetery.

City Facilities Improvement Fund - To account for the financing and construction of City facilities.

City Funded Capital Improvement Project Fund - To account for the financing and construction of City funded capital improvement projects.

Recreation Development Fund - To account for the financing, construction and capital improvement of City parks, trails, library and other recreational projects.

CITY OF COPPELL, TEXAS

COMBINING BALANCE SHEET - ALL CAPITAL PROJECT FUNDS
SEPTEMBER 30, 2016
(WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 2015) (Continued)
(UNAUDITED)

ASSETS	Streets	Park Improvement	Drainage
Cash	$ 474,018	$ 4,162	$ 55,482
Investments	17,445,982	38,392	-
Receivables:			
Accounts	96,115	-	-
Interest	1,049	-	-
Total Assets	$ 18,017,164	$ 42,554	$ 55,482
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	$ 365,583	$ -	$ -
Accrued Salaries	-	-	-
Retainage Payable	769,127	-	-
Deferred Revenue	1,188,375	-	-
Unearned Revenue	228,711	-	-
Total Liabilities	2,551,796	-	-
Fund Balances:			
Restricted for Capital Projects	15,465,368	42,554	55,482
Total Liabilities and Fund Balances	$ 18,017,164	$ 42,554	$ 55,482

CITY OF COPPELL, TEXAS

(Combining Balance Sheet - All Capital Project Funds)
(Concluded)
(UNAUDITED)

Cemetery	City Facilities	City Funded CIP	Recreation Development	Totals - September 30, 2016	Totals - September 30, 2015
$ -	$ 57,617	$ 555,305	$ 172,802	$ 1,319,386	$ 2,728,376
-	73,448	1,619,370	14,545,240	33,722,432	47,939,180
-	-	-	-	96,115	1,615,228
-	-	-	14,706	15,755	15,199
$ -	$ 131,065	$ 2,174,675	$ 14,732,748	$ 35,153,688	$ 52,297,983
$ -	$ -	$ 289,584	$ 2,695,971	$ 3,351,138	$ 3,380,264
-	-	-	-	-	3,235
-	-	-	993,438	1,762,565	571,296
-	-	-	-	1,188,375	837,830
-	-	-	-	228,711	3,546,946
-	-	289,584	3,689,409	6,530,789	8,339,571
-	131,065	1,885,091	11,043,339	28,622,899	43,958,412
$ -	$ 131,065	$ 2,174,675	$ 14,732,748	$ 35,153,688	$ 52,297,983

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL CAPITAL PROJECT FUNDS - FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016
(WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015) (Continued)
(UNAUDITED)

	Streets	Park Improvement	Drainage
REVENUES:			
Intergovernment	$ 3,318,234	$ -	$ -
Interest Income	32,588	189	294
Contributions	-	-	-
Miscellaneous	-	-	-
Total Revenues	3,350,822	189	294
EXPENDITURES:			
Capital Outlay	8,603,995	56,344	99,949
Total Expenditures	8,603,995	56,344	99,949
(Deficiency) of Revenues (Under) Expenditures	(5,253,173)	(56,155)	(99,655)
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	-	-	-
Operating TransfersOut	-	-	-
Premium on GO Bonds Issued	975,886	-	-
Issuance of General Obligation Debt	10,680,000	-	-
Total Other Financing Sources (Uses)	11,655,886	-	-
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures	6,402,713	(56,155)	(99,655)
FUND BALANCES, October 1	9,062,655	98,709	155,137
FUND BALANCES, September 30	$ 15,465,368	$ 42,554	$ 55,482

(Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
All Capital Project Funds) (Concluded)
(UNAUDITED)

Cemetery	City Facilities	City Funded CIP	Recreation Development	Totals - September 30, 2016	Totals - September 30, 2015
$ -	$ -	$ -	-	$ 3,318,234	$ 4,962,194
(3)	3,796	5,243	83,903	126,010	44,585
-	-	-	-	-	680,000
-	-	-	-	-	-
(3)	3,796	5,243	83,903	3,444,244	5,686,779
11,500	1,967,381	2,078,149	20,604,367	33,421,685	12,903,434
11,500	1,967,381	2,078,149	20,604,367	33,421,685	12,903,434
(11,503)	(1,963,585)	(2,072,906)	(20,520,464)	(29,977,441)	(7,216,655)
-	-	1,986,316	1,000,000	2,986,316	1,620,084
(274)	-	-	-	(274)	-
-	-	-	-	975,886	2,463,269
-	-	-	-	10,680,000	29,025,000
(274)	-	1,986,316	1,000,000	14,641,928	33,108,353
(11,777)	(1,963,585)	(86,590)	(19,520,464)	(15,335,513)	25,891,698
11,777	2,094,650	1,971,681	30,563,803	43,958,412	18,066,714
$ -	$ 131,065	$ 1,885,091	11,043,339	$ 28,622,899	$ 43,958,412

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PERMANENT FUND

Permanent Fund

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used to support programs of the City.

Perpetual Care Fund – To account for the assets and earnings used to support the operations and maintenance of the Rolling Oaks Cemetery.

CITY OF COPPELL, TEXAS

COMPARATIVE BALANCE SHEET - PERMANENT FUND
SEPTEMBER 30, 2016
(WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 2015)
(UNAUDITED)

	Rolling Oaks Cemetery Perpetual Care Fund	
	2016	2015
ASSETS		
Cash-Money Market	$ 80,868	$ 118,148
Investments	316,577	216,357
Interest Receivable	207	82
Total Assets	$ 397,652	$ 334,587
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts Payable	$ -	$ -
Total Liabilities	-	-
Fund Balance:		
Restricted for Perpetual Care	397,652	334,587
Total Fund Balance	397,652	334,587
Total Liabilities and Fund Balance	$ 397,652	$ 334,587

CITY OF COPPELL, TEXAS

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
PERMANENT FUNDS- FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016
(WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015)
(UNAUDITED)

	Rolling Oaks Cemetery Perpetual Care Fund	
	2016	2015
REVENUES:		
Charges for Services	$ 61,963	$ 90,727
Interest Income	1,102	5
Total Revenues	63,065	90,732
EXPENDITURES:		
Culture and Recreation	-	-
Total Expenditures	-	-
Excess of Revenues Over Expenditures	63,065	90,732
FUND BALANCES - October 1	334,587	243,855
FUND BALANCES - September 30	$ 397,652	$ 334,587

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ENTERPRISE FUND

Enterprise Fund

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the costs (expenses, including depreciation) of providing services are financed through user charges.

Water and Sewer Enterprise Fund - To account for the operations, maintenance and debt service of Water and Sewer activities.

CITY OF COPPELL, TEXAS

COMPARATIVE STATEMENT OF NET POSITION - ENTERPRISE FUND
SEPTEMBER 30, 2016 AND 2015
(UNAUDITED)

ASSETS	2016	2015
Cash	$ 114,545	$ 222,358
Investments	8,611,672	8,790,789
Receivables (Net of Allowances for Uncollectables of $192,556 in 2016 and $137,698 in 2015):		
Accounts	2,424,110	2,681,547
Interest	6,043	989
Other	348,448	326,399
Prepaid Items	733,416	466,697
Inventory	223,880	142,919
Restricted Assets:		
Cash	46,539	268,451
Investments	1,169,000	1,017,012
Fixed Assets (Net of Accumulated Depreciation)	51,015,535	52,679,388
Total Assets	64,693,188	66,596,549
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflow - Related to Pension	436,046	165,358
Deferred Charge on Refunding	79,961	106,614
Total Deferred Outflows of Resources	516,007	271,972
LIABILITIES		
Liabilities		
Accounts Payable	1,381,449	1,284,729
Accrued Liabilities	18,408	53,844
Accrued Interest	2,671	6,120
Payable From Restricted Assets:		
Deposits	504,880	516,625
Bonds Payable:		
Current	360,000	350,000
Long-Term	95,000	455,000
Net Pension Liability	900,450	564,777
Compensated Absences	68,294	77,547
Total Liabilities	3,331,152	3,308,642
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflow - Related to Pension	29,700	14,610
Total Deferred Inflows of Resources	29,700	14,610
NET POSITION		
Net Position		
Net Investment in Capital Assets	50,640,496	51,981,002
Unrestricted	11,207,847	11,564,267
Total Net Position	$ 61,848,343	$ 63,545,269

CITY OF COPPELL, TEXAS

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ENTERPRISE FUND
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2016 AND 2015
(UNAUDITED)

	2016	2015
OPERATING REVENUES:		
Water and Sewer Sales	$ 14,319,323	$ 13,007,095
Water and Sewer Connection Fees	23,980	39,490
Miscellaneous	380,390	199,596
Total Operating Revenues	14,723,693	13,246,181
OPERATING EXPENSES:		
Purchase of Water	5,893,822	5,141,443
Purchase of Sewer Treatment	3,673,477	3,435,464
Salaries and Wages	1,561,496	1,565,625
Supplies and Services	3,210,191	3,068,516
Depreciation	2,607,406	2,635,065
Total Operating Expenses	16,946,392	15,846,113
Operating Loss	(2,222,699)	(2,599,932)
NON-OPERATING REVENUES (EXPENSES):		
Transfer Out	(21,498)	(12,411)
Interest Income	192,447	113,939
Interest Expense and Fiscal Charges	(41,664)	(55,780)
Gain (Loss) on Sale of Fixed Assets	8,131	29,276
Impact and Availability Fees	308,511	513,543
Net Non-operating Revenues	445,927	588,567
Net Loss Before Capital Contributions	(1,776,772)	(2,011,365)
Capital Contributions	79,846	658,152
Net Loss	(1,696,926)	(1,353,213)
Net Position-October 1	63,545,269	64,898,482
Net Position - September 30	$ 61,848,343	$ 63,545,269

CITY OF COPPELL, TEXAS

COMPARATIVE STATEMENT OF CASH FLOWS - ENTERPRISE FUND
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2016 AND 2015
(UNAUDITED)

	2016	2015
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:		
Cash Received from Customers	$ 14,959,081	$ 12,920,344
Cash Paid to Suppliers	(13,075,629)	(11,859,973)
Cash Paid to Employees	(1,206,819)	(1,576,275)
Net Cash Provided by (Used in) Operating Activities	676,633	(515,904)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers to Other Funds	(21,498)	(12,411)
Net Cash Used in Noncapital Financing Activities	(21,498)	(12,411)
CASH FLOWS USED IN CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and Construction of Capital Assets	(863,710)	(612,364)
Disposition of Capital Assets	8,131	29,276
Principal Payments on Long Term Obligations	(350,000)	(340,000)
Interest Paid	(18,459)	(28,566)
Water and Sewer Impact Fees Collected	308,511	513,543
Net Cash Used in Capital and Related Financing Activities	(915,527)	(438,111)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from Maturities of Investments	3,002,720	1,400,537
Purchase of Investments	(2,243,969)	(47,128)
Interest Received	187,393	113,871
Net Cash Provided (Used) by Investing Activities	946,144	1,467,280
Net Increase (Decrease) in Cash and Investments	685,752	500,854
Cash and Investments at the Beginning of the Year	4,219,954	3,719,100
Cash and Investments at the End of the Year	$ 4,905,706	$ 4,219,954
RECONCILIATION OF OPERATING LOSS TO CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Loss	$ (2,222,699)	$ (2,599,932)
Adjustments to Reconcile Operating Loss		
to Net Cash Provided by (Used in) Operating Activities:		
Depreciation	2,607,408	2,635,065
Provision for Doubtful Accounts	54,859	30,268
Change in Assets, Liabilities, Deferred Outflows, and Deferred Inflows:		
(Increase) Decrease in Receivables	180,530	(336,167)
(Increase) in Prepaid Expenses	(266,719)	(177,349)
(Increase) Decrease in Inventory	(80,961)	12,495
(Increase) Decrease in Deferred Outflows	13,167	(44,707)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	61,283	(71,000)
Increase (Decrease) in Deposits	(11,745)	10,330
(Decrease) in Compensated Absences	(9,253)	(12,533)
Increase in Net Pension Liability	335,673	23,016
Increase in Deferred Inflows	15,090	14,610
Net Cash Provided by (Used in) Operating Activities	$ 676,633	$ (515,904)
RECONCILIATION OF CASH AND INVESTMENTS TO THE BALANCE SHEET:		
Cash	$ 114,545	$ 222,358
Restricted Cash	46,539	268,451
Investments (TexPool & TexStar Only)	4,744,622	3,729,145
Total	$ 4,905,706	$ 4,219,954
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:		
Capital Asset Contributions from Developers	$ 79,846	$ 658,152

INTERNAL SERVICE FUND

Internal Service Fund

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies on a cost-reimbursement basis.

Self Funded Health Fund – To account for the self funded health program provided by the City to its employees at no cost to the employees, and to their dependents, on a subsidized cost basis.

Capital Replacement Fund – To provide for capital fleet replacements based on the fleet services replacement schedule.

CITY OF COPPELL, TEXAS

COMPARATIVE STATEMENT OF NET POSITION -
SELF-FUNDED HEALTH INTERNAL SERVICE FUND
SEPTEMBER 30, 2016 AND 2015
(UNAUDITED)

	Self-Funded Health Fund	
ASSETS	2016	2015
Cash	$ 670,236	$ 786,260
Investments	1,016,409	691,115
Accounts Receivable	84,307	183,044
Interest Receivable	-	507
Due From Other Funds	56,514	-
Total Assets	$ 1,827,466	$ 1,660,926
LIABILITIES AND NET POSITION		
Liabilities:		
Claims Liability	$ 523,717	$ 817,274
Accounts Payable	48,780	72,456
Total Liabilities	572,497	889,730
Net Position:		
Unrestricted	1,254,969	771,196
Total Net Position	1,254,969	771,196
Total Liabilities and Net Position	$ 1,827,466	$ 1,660,926

CITY OF COPPELL, TEXAS

COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
SELF-FUNDED HEALTH INTERNAL SERVICE FUND
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2016 AND 2015
(UNAUDITED)

	Self-Funded Health Fund	
	2016	2015
OPERATING REVENUES:		
City and Employee Contributions	$ 5,417,432	$ 4,860,641
Total Operating Revenues	5,417,432	4,860,641
OPERATING EXPENSES:		
Claims	4,015,995	4,617,580
Contractual Services and Charges	676,391	749,678
Wellness Program	246,905	228,677
Total Operating Expenses	4,939,291	5,595,935
Operating Income (Loss)	478,141	(735,294)
NON-OPERATING REVENUES:		
Interest Income	5,632	1,117
Net Non-Operating Revenues	5,632	1,117
Income (Loss) before operating transfers	483,773	(734,177)
Operating Transfers	-	-
Net Income(Loss)	483,773	(734,177)
Net Position - October 1	771,196	1,505,373
Net Position - September 30	$ 1,254,969	$ 771,196

CITY OF COPPELL, TEXAS

COMPARATIVE STATEMENT OF CASH FLOWS - SELF-FUNDED HEALTH INTERNAL SERVICE FUND
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2016 AND 2015
(UNAUDITED)

	Self-Funded Health Fund	
	2016	2015
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:		
Cash Received from City and Employee Contributions	$ 5,516,169	$ 4,681,815
Cash Payments for Claims	(4,309,552)	(4,375,129)
Cash Payments for Contractual Services and Charges	(676,391)	(749,678)
Cash Payments for Wellness Program	(270,581)	(237,073)
Net Cash Provided by (Used In) Operating Activities	259,645	(680,065)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Due from Other Funds	(56,514)	-
Net Cash Provided by Noncapital Financing Activities	(56,514)	-
CASH FLOWS (USED IN) INVESTING ACTIVITIES:		
Proceeds from Maturities of Investments	495,259	526,125
Purchase of Investments	-	(509)
Interest Received	6,139	693
Net Cash from Investing Activities	501,398	526,309
Net Increase (Decrease) in Cash and Cash Equivalents	704,529	(153,756)
Cash and Investments at the Beginning of the Year	982,116	1,135,872
Cash and Investments at the End of the Year	$ 1,686,645	$ 982,116
RECONCILIATION OF OPERATING INCOME (LOSS) TO CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Income(Loss)	$ 478,141	$ (735,294)
Adjustments to Reconcile Operating Income to Net Cash Provided by (used in) Operating Activities:		
(Increase) Decrease in Receivables	98,737	(178,826)
Increase (Decrease) in Accounts Payable	(23,676)	(8,396)
Increase (Decrease) in Unpaid Claims	(293,557)	242,451
Net Cash Provided by (used in) Operating Activities	$ 259,645	$ (680,065)

RECONCILIATION OF CASH AND INVESTMENTS TO THE STATEMENT OF NET POSITION:

Cash	$ 670,236	$ 786,260
Investments (TexPool & TexStar Only)	1,016,409	195,856
Total	$ 1,686,645	$ 982,116

CITY OF COPPELL, TEXAS

COMPARATIVE STATEMENT OF NET POSITION -
CAPITAL REPLACEMENT INTERNAL SERVICE FUND
SEPTEMBER 30, 2016 AND 2015
(UNAUDITED)

	Capital Replacement Fund	
ASSETS	2016	2015
Cash	$ 638,938	$ 194,266
Total Assets	$ 638,938	$ 194,266
LIABILITIES AND NET POSITION		
Liabilities:		
Total Liabilities	$ -	$ -
Net Position:		
Unrestricted	638,938	194,266
Total Net Position	638,938	194,266
Total Liabilities and Net Position	$ 638,938	$ 194,266

CITY OF COPPELL, TEXAS

COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
CAPITAL REPLACEMENT INTERNAL SERVICE FUND
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2016 AND 2015
(UNAUDITED)

	Capital Replacement Fund	
	2016	2015
OPERATING REVENUES:		
Total Operating Revenues	$ -	$ -
OPERATING EXPENSES:		
Total Operating Expenses	-	-
Operating Income	-	-
NON-OPERATING REVENUES:		
Interest Income	-	-
Net Non-Operating Revenues	-	-
Income before operating transfers	-	-
Operating Transfers	444,672	194,266
Net Income	444,672	194,266
Net Position - October 1	194,266	-
Net Position - September 30	$ 638,938	$ 194,266

CITY OF COPPELL, TEXAS

COMPARATIVE STATEMENT OF CASH FLOWS - CAPITAL REPLACEMENT INTERNAL SERVICE FUND
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2016 AND 2015
(UNAUDITED)

	Capital Replacement Fund	
	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Cash Provided by Operating Activities	$ -	$ -
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers from Other Funds	444,672	194,266
Net Cash Provided by Noncapital Financing Activities	444,672	194,266
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest Received	-	-
Net Cash Provided by Investing Activities	-	-
Net Increase in Cash and Cash Equivalents	444,672	194,266
Cash and Investments at the Beginning of the Year	194,266	-
Cash and Investments at the End of the Year	$ 638,938	$ 194,266
RECONCILIATION OF OPERATING INCOME TO CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Income	$ -	$ -
Net Cash Provided by Operating Activities	$ -	$ -
RECONCILIATION OF CASH AND INVESTMENTS TO THE STATEMENT OF NET POSITION:		
Cash	638,938	194,266
Investments (TexPool & TexStar Only)	-	-
Total	$ 638,938	$ 194,266

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PRIVATE-PURPOSE TRUST FUND

Private-Purpose Trust Fund

Private-purpose Trust funds are used to account for trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

Pre-need Trust - To hold funds to be used for memorial merchandise for individuals who have entered pre-need contracts.

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CITY OF COPPELL, TEXAS

COMPARATIVE STATEMENT OF FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30,2016
(WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 2015)
(UNAUDITED)

	Private-purpose Trust	
	2016	2015
ASSETS		
Cash- Money Market	$ 126,034	$ 89,952
Accounts Receivable	1,871	1,465
Total Assets	$ 127,905	$ 91,417
LIABILITIES AND NET POSITION		
Liabilities:		
Accounts Payable	$ 1,350	$ 1,408
Deposits	126,555	90,009
Total Liabilities	127,905	91,417
Net Position		
Held in trust for cemetery	-	-
Total Net Position	$ -	$ -

CITY OF COPPELL, TEXAS

COMPARATIVE STATEMENT OF CHANGES IN NET POSITION - PRIVATE PURPOSE TRUST FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016
(WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015)
(UNAUDITED)

	Private-purpose Trust	
	2016	2015
ADDITIONS		
Interest Income	$ -	$ -
Total Additions	-	-
DEDUCTIONS:		
Interest and Fiscal Charges	-	-
Total Deductions	-	-
Net Increase (Decrease)	-	-
Net Position held in trust, October 1	-	-
Net Position held in trust, September 30	$ -	$ -

AGENCY FUNDS

Agency Funds

Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, other governmental agencies and/or other funds.

Health Reimbursement Arrangement Fund - To account for contributions and disbursements on behalf of members of the Health Reimbursement Arrangement.

CITY OF COPPELL, TEXAS

COMBINING BALANCE SHEET
AGENCY FUND
SEPTEMBER 30, 2016
(UNAUDITED)

	Health Reimbursement Arrangement	Total Agency Fund
ASSETS		
Cash	$ -	$ -
Investments With Fiscal Agents	881,380	881,380
Interest Receivable	159	159
Total Assets	$ 881,539	$ 881,539
LIABILITIES		
Due to Other Funds	$ 56,514	$ 56,514
Due to Members	825,025	825,025
Total Liabilities	$ 881,539	$ 881,539

CITY OF COPPELL, TEXAS

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016
(UNAUDITED)

HEALTH REIMBURSEMENT ARRANGEMENT

	October 1, 2015	Additions	Deductions	September 30, 2016
ASSETS				
Cash	$ 196,563	$ 98,167	$ 294,730	$ -
Investments With Fiscal Agents	915,662	1,752	36,034	881,380
Interest Receivable	286	159	286	159
Total Assets	$ 1,112,511	$ 100,078	$ 331,050	$ 881,539
LIABILITIES				
Due to Other Funds	$ -	$ 56,514	$ -	$ 56,514
Due to Members	1,112,511	3,938	291,424	825,025
Total Liabilities	$ 1,112,511	$ 60,452	$ 291,424	$ 881,539

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CONTINUING FINANCIAL DISCLOSURE TABLES

CONTINUING FINANCIAL DISCLOSURE TABLES

(Unaudited)

The Continuing Financial Disclosure Tables present various financial data originally distributed in a debt official statement. The City is required to update financial tables originally distributed in a debt official statement by March 30 of each year. The financial information is also sent to each nationally recognized municipal securities information repository ("NRMSIR") and to any state information depository ("SID") that is designated by the State of Texas and approved by the Securities and Exchange Commission ("SEC").

COPPELL RECREATION DEVELOPMENT CORPORATION
2017 SALES TAX REVENUE DEBT REPORT

Table 1 - Debt Service Requirements

Fiscal Year Ending	Outstanding Sales Tax Revenue Debt Service			Percent of Principal Retired
	Principal	Interest	Total	
2017	$ 680,000	$ 1,273,719	$ 1,953,719	
2018	710,000	1,246,519	1,956,519	
2019	260,000	1,218,119	1,478,119	
2020	1,035,000	1,207,719	2,242,719	
2021	1,085,000	1,155,969	2,240,969	10.31%
2022	1,140,000	1,101,719	2,241,719	
2023	1,200,000	1,044,719	2,244,719	
2024	1,260,000	984,719	2,244,719	
2025	1,320,000	921,719	2,241,719	
2026	1,385,000	855,719	2,240,719	33.60%
2027	1,455,000	786,469	2,241,469	
2028	1,530,000	713,718	2,243,718	
2029	1,605,000	637,218	2,242,218	
2030	1,685,000	556,968	2,241,968	
2031	1,740,000	502,206	2,242,206	60.33%
2032	1,795,000	445,656	2,240,656	
2033	1,860,000	385,075	2,245,075	
2034	1,925,000	319,975	2,244,975	
2035	1,990,000	252,600	2,242,600	
2036	2,070,000	173,000	2,243,000	92.48%
2037	2,155,000	90,200	2,245,200	
2038	100,000	4,000	104,000	100.00%
	$ 29,985,000	$ 15,877,725	$ 45,862,725	

Table 2 - Historical City Receipts of 1/2 of 1% Sales Tax

2001 Collections	$ 2,364,824
2002 Collections	$ 1,835,310
2003 Collections	$ 2,061,104
2004 Collections	$ 2,606,636
2005 Collections	$ 3,692,408
2006 Collections	$ 4,926,671
2007 Collections	$ 5,327,312
2008 Collections	$ 5,394,582
2009 Collections	$ 5,891,166
2010 Collections	$ 5,348,188
2011 Collections	$ 5,785,427
2012 Collections	$ 6,466,073
2013 Collections	$ 7,557,256
2014 Collections	$ 7,947,078
2015 Collections	$ 8,506,346
2016 Collections	$ 9,328,626

COPPELL RECREATION DEVELOPMENT CORPORATION
2017 SALES TAX REVENUE DEBT REPORT

Table 3 - Calculation of Coverage for the Issuance of Additional Bonds

Sales Tax Collection for Fiscal Year September 30, 2016	$	9,328,626
Maximum Annual Debt Service, 2017-2038	$	2,245,200
Coverage of Maximum Requirements by 9-30-16 Collections		4.15x
Average Annual Debt Service, 2017-2038	$	1,995,864
Coverage of Average Requirements by 9-30-16 Collections		4.67x

Table 4 - Current Investments (As of 9/30/16)

Description	Percent of Portfolio	Purchase Price	Market Value
TexPool	21.52 %	$ 28,021,672	$ 28,030,359
TexStar	24.51	31,919,598	31,932,749
Federal Agriculture Mortgage Corporation	7.66	9,974,013	9,990,570
Federal Home Loan Bank	19.05	24,811,576	24,838,120
Federal Home Loan Mortgage Corporation	13.85	18,029,813	18,055,265
Federal Farm Credit Banks	1.15	1,495,933	1,496,501
Federal National Mortgage Association	12.26	15,968,772	15,997,159
	100.00 %	$ 130,221,377	$ 130,340,723

CITY OF COPPELL, TEXAS
2017 GENERAL OBLIGATION DEBT REPORT

Table 1 - Valuation, Exemptions and Tax Supported Debt

2016/17 Market Valuation Established by Dallas/Denton Central Appraisal District (excluding totally exempt property)		$ 8,008,224,758
Less Exemptions/Reductions at 100% Market Value:		
Over 65 and Disabled Persons	$ 120,998,015	
Disabled Veterans	5,358,638	
Freeport	694,515,215	
Open-Space and Timberland Use Reductions	31,379,636	
Tax Abatement Reductions	190,444,091	
Capped Value Loss	77,553,875	
Pollution Control	124,202	
Residential Homesteads	174,596,111	
Parcels Under 500	22,940	
		$ 1,294,992,723
Taxable Assessed Valuation		$ 6,713,232,035
General Obligation Debt Payable from Ad Valorem Taxes (as of 9/30/16)		$ 70,815,000
Less Self-Supporting Debt[1]	$ 455,000	
General Obligation Debt Payable from Ad Valorem Taxes		$ 70,360,000
General Obligation Interest and Sinking Fund as of 9/30/16		$ 934,072
Ratio General Obligation Tax Debt to Taxable Assessed Valuation		1.05%

2016 Estimated Population - 40,310
Per Capita Taxable Assessed Valuation - $166,540
Per Capita General Obligation Debt Payable from Ad Valorem Taxes - $1,745

Table 2 - Taxable Assessed Valuation by Category

	Taxable Appraised Value for Fiscal Year Ended September 30,					
	2017		2016		2015	
Category	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	$ 4,207,940,796	52.55%	$ 3,807,498,227	51.23%	$ 3,500,331,336	52.17%
Real, Residential, Multi-Family	364,990,930	4.56%	321,765,860	4.33%	285,837,800	4.26%
Real, Vacant Lots/Tracts	123,615,486	1.54%	106,017,523	1.43%	68,335,215	1.02%
Real, Acreage (Land Only)	31,404,084	0.39%	32,856,455	0.44%	48,489,102	0.72%
Real, Farm and Ranch Improvements	-	0.00%	-	0.00%	-	0.00%
Real, Commercial	1,418,940,643	17.72%	1,333,438,210	17.94%	1,298,737,208	19.36%
Real, Industrial	63,289,840	0.79%	39,127,500	0.53%	30,826,940	0.46%
Real, Oil, Gas and Other Mineral Reserves	213,670	0.00%	1,594,320	0.02%	1,298,956	0.02%
Real and Tangible Personal, Utilities	93,776,490	1.17%	92,519,820	1.24%	77,927,600	1.16%
Tangible Personal, Commercial	1,576,967,309	19.69%	1,601,069,729	21.54%	1,288,848,410	19.21%
Tangible Personal, Industrial	123,795,460	1.55%	92,305,690	1.24%	106,438,060	1.59%
Tangible Personal, Mobile Homes	2,775,910	0.03%	2,817,370	0.04%	2,874,890	0.04%
Other	514,140	0.01%	1,724,140	0.02%	90	0.00%
Total Appraised Value Before Exemptions	$ 8,008,224,758	100.00%	$ 7,432,734,844	100.00%	$ 6,709,945,607	100.00%
Less: Total Exemptions/Reductions	1,294,992,723		1,202,018,419		1,032,663,582	
Adjustments	-		(55,118,450)		(60,929,323)	
Taxable Assessed Value	$ 6,713,232,035		$ 6,175,597,975		$ 5,616,352,702	

	Taxable Appraised Value for Fiscal Year Ended September 30,					
	2014		2013		2012	
Category	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	$ 3,288,784,112	53.68%	$ 3,168,720,741	54.95%	$ 3,138,426,558	57.96%
Real, Residential, Multi-Family	263,123,120	4.29%	243,261,200	4.22%	207,330,900	3.83%
Real, Vacant Lots/Tracts	74,112,853	1.21%	71,914,620	1.25%	74,380,280	1.37%
Real, Acreage (Land Only)	45,019,393	0.73%	50,568,121	0.88%	44,165,759	0.82%
Real, Farm and Ranch Improvements	-	0.00%	-	0.00%	-	0.00%
Real, Commercial	1,082,066,405	17.66%	1,016,303,986	17.62%	989,723,322	18.28%
Real, Industrial	29,438,020	0.48%	27,642,970	0.48%	26,552,800	0.49%
Real, Oil, Gas and Other Mineral Reserves	1,536,920	0.03%	6,194,750	0.11%	11,373,770	0.21%
Real and Tangible Personal, Utilities	67,229,410	1.10%	56,180,410	0.97%	55,349,090	1.02%
Tangible Personal, Commercial	1,139,705,148	18.60%	1,008,311,643	17.48%	753,417,823	13.92%
Tangible Personal, Industrial	128,363,890	2.10%	107,604,240	1.87%	108,560,050	2.01%
Tangible Personal, Mobile Homes	2,919,290	0.05%	3,015,140	0.05%	3,012,050	0.06%
Other	4,466,256	0.07%	7,157,565	0.12%	2,116,351	0.04%
Total Appraised Value Before Exemptions	$ 6,126,764,817	100.00%	$ 5,766,875,386	100.00%	$ 5,414,408,753	100.00%
Less: Total Exemptions/Reductions	896,835,796		793,250,140		612,637,799	
Adjustments	(28,500,007)		(28,263,475)		(3,586,036)	
Taxable Assessed Value	$ 5,201,429,014		$ 4,945,361,771		$ 4,798,184,918	

Table 3 - Valuation and Tax Supported Debt History

Fiscal Year Ended 9/30	Estimated City Population [1]	Taxable Assessed Valuation [2]	Per Capita Taxable Assessed Valuation	General Obligation (G.O.) Tax Debt	Per Capita G. O. Tax Debt	Ratio G.O. Tax Debt to Taxable Assessed Valuation
2009	39,565	4,815,680,236	121,716	83,835,000	2,119	1.74%
2010	39,750	4,844,850,370	121,883	77,845,000	1,958	1.61%
2011	38,950	4,808,438,226	123,452	86,815,000	2,229	1.81%
2012	39,070	4,798,184,918	122,810	80,080,000	2,050	1.67%
2013	39,090	4,945,361,771	126,512	80,010,000	2,047	1.62%
2014	39,380	5,201,429,014	132,083	72,100,000	1,831	1.39%
2015	40,000	5,616,352,702	140,409	65,935,000	1,648	1.17%
2016	40,170	6,230,716,425	155,109	70,360,000	1,752	1.13%
2017	40,310	6,713,232,035	166,540	63,645,000 [1]	1,579 [1]	0.95% [1]

(1) Source: City of Coppell.
(2) As reported by the Dallas Central Appraisal District by the City's Annual State Property Tax Board Reports. Subject to change during the ensuing year.

Table 4 - Tax Rate, Levy and Collection History

Fiscal Year Ended	Tax Rate	General Fund	Interest and Sinking Fund	Tax Levy	% Current Collections	% Total Collections
2009	0.64146	0.49577	0.14569	$ 30,819,734	99.58%	99.99%
2010	0.64146	0.49577	0.14569	$ 31,055,427	99.54%	99.98%
2011	0.69046	0.49577	0.19469	$ 33,233,794	99.48%	99.90%
2012	0.69046	0.49577	0.19469	$ 33,243,237	99.61%	99.90%
2013	0.67046	0.46571	0.20475	$ 33,230,626	99.56%	99.87%
2014	0.63750	0.43750	0.20000	$ 33,090,537	99.60%	99.86%
2015	0.60649	0.44249	0.16400	$ 33,962,412	99.75%	99.89%
2016	0.58400	0.44808	0.13592	$ 36,072,197	99.73%	99.73%
2017	0.57950	0.44333	0.13617	$ 38,903,180	47.99% [1]	47.99% [1]

(1) Collections through December 31, 2016.

Table 5 - Ten Largest Taxpayers

Name of Taxpayer	Nature of Property	2016/17 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation
Duke Realty LTD PS	Office/Warehouse	$ 154,136,542	2.30 %
Western A South TX LLC	Office/Warehouse	71,830,685	1.07
St Marin Apts II LLC	Multi-Family Complex	67,224,750	1.00
Star Lakeside LLC	Multi-Family Complex	57,475,000	0.86
Coppell Properties LLC	Multi-Family Complex	42,781,000	0.64
Mckesson Medical Surgical Inc	Office/Warehouse	38,676,288	0.58
BG Victorien Rivechase LLC	Multi-Family Complex	35,850,000	0.53
LIT HW1 LP	Office/Warehouse	35,150,000	0.52
Teachers Ins. & Annuity Assoc.	Office/Warehouse	34,758,180	0.52
Sprint Spectrum LP	Business Personal Property	33,620,721	0.50
		$ 571,503,166	8.51 %

Table 6 - Tax Adequacy

2017 Principal and Interest Requirements	$	9,245,195
$0.13911 Tax Rate at 99% Collection Produces	$	9,245,389
Average Annual Principal and Interest Requirements, 2017-2036	$	4,443,026
$0.06686 Tax Rate at 99% Collection Produces	$	4,443,582

Table 7 - General Obligation Debt Service Requirements

Fiscal Year Ending 30-Sep	Principal	Interest	Total P&I	Percent of Principal Retired
2017	$ 6,715,000	$ 2,530,195	$ 9,245,195	
2018	6,020,000	2,180,468	8,200,468	
2019	6,120,000	1,999,436	8,119,436	
2020	5,560,000	1,837,491	7,397,491	
2021	5,020,000	1,685,550	6,705,550	41.83%
2022	5,095,000	1,516,200	6,611,200	
2023	4,805,000	1,324,275	6,129,275	
2024	4,905,000	1,129,625	6,034,625	
2025	4,015,000	952,950	4,967,950	
2026	4,070,000	795,550	4,865,550	74.37%
2027	3,585,000	646,575	4,231,575	
2028	3,230,000	515,275	3,745,275	
2029	2,090,000	414,025	2,504,025	
2030	2,170,000	329,751	2,499,751	
2031	2,260,000	238,207	2,498,207	93.32%
2032	1,275,000	165,000	1,440,000	
2033	1,320,000	111,444	1,431,444	
2034	675,000	70,700	745,700	
2035	700,000	43,200	743,200	
2036	730,000	14,600	744,600	100.00%
	$ 70,360,000	$ 18,500,512	$ 88,860,512	

Table 8 - Interest and Sinking Fund Budget Projection

Tax Supported Debt Service Requirements, Fiscal Year Ending 9-30-17		$ 9,245,195
Interest and Sinking Fund, 9-30-16	$ 934,072	
Budgeted Interest and Sinking Fund Tax Levy	9,141,710	
Estimated Investment Income	2,000	
Penalty and Interest and Delinquents	40,000	$ 10,117,782
Estimated Balance, 9-30-17		$ 872,587

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Table 9 - Computation of Self-Supporting Debt

Net System Revenue Available, Fiscal Year Ended 9-30-16	$ 1,090,699
Less: Requirements for Revenue Bonds (2017)	-
Balance Available for Other Purposes	$ 1,090,699
Requirements for System Tax Bonds	368,058
Percentage of System General Obligation Bonds Self-Supporting	100%

Table 10 - Authorized But Unissued General Obligation Bonds

Purpose	Date Authorized	Amount Authorized	Amount Previously Issued	Unissued Balance
Park Improvements	3/3/1990	$ 1,030,000	$ 835,000	$ 195,000
Street Improvements	3/3/1990	7,750,000	7,665,000	85,000
Drainage Improvements	3/3/1990	800,000	400,000	400,000
Police and Fire Improvements	3/3/1990	1,400,000	1,295,000	105,000
Library Improvements	3/3/1990	2,600,000	2,520,000	80,000
Drainage Improvements	11/2/1999	1,700,000	700,000	1,000,000
Street Improvements	11/2/1999	30,345,000	30,341,390	3,610
		$ 45,625,000	$ 43,756,390	$ 1,868,610

Table 11 - Other Obligations

A summary of Capital Lease Obligations activity for the year ended September 30, 2016 is as follows:

Outstanding October 1, 2015	$ -
Additions	-
Reductions	-
Outstanding September 30, 2016	$ -

Table 12 - Change in Net Position

	Fiscal Years Ended September 30,				
	2016	2015	2014	2013	2012
Revenues:					
Program Revenues:					
Charges for Services	$ 9,248,490	$ 9,262,812	$ 10,651,438	$ 11,371,701	$ 10,687,468
Operating Grants and Contributions	29,312	58,957	44,046	40,164	145,601
Capital Grants and Contributions	3,711,097	9,264,802	8,039,088	2,312,920	2,081,223
General Revenue:					
Property Tax	36,279,008	34,077,476	33,392,778	33,180,127	33,131,485
Sales Tax	33,794,720	30,250,169	28,014,382	26,696,689	23,081,666
Franchise Tax	4,264,029	4,213,325	4,073,248	3,790,673	3,633,893
Investment Earnings	456,745	137,436	382,434	436,570	116,596
Miscellaneous	546,169	404,138	744,785	290,681	1,705,724
Gain on Sale of Capital Assets	107,913	449,885	399,266	794,120	74,219
Total Revenues	$ 88,437,483	$ 88,119,000	$ 85,741,465	$ 78,913,645	$ 74,657,875
Expenditures:					
General Government	$ 13,512,952	$ 10,220,976	$ 9,344,697	$ 8,332,043	$ 7,763,532
Public Safety	23,764,655	25,269,499	23,587,427	23,420,063	22,085,919
Public Works	20,040,386	21,997,180	18,963,274	18,566,784	14,400,466
Cultural and Recreational	14,162,493	14,659,086	12,246,721	11,129,531	10,798,583
Bond Issuace Costs	254,203	929,977	-	-	-
Interest on Long-Term Debt	3,309,550	3,372,392	3,301,001	3,705,832	3,777,159
Total Expenditures	$ 75,044,239	$ 76,449,110	$ 67,443,120	$ 65,154,253	$ 58,825,659
Increase in Net Position Before Transfers	13,393,244	11,669,890	18,298,345	13,759,392	15,832,216
Transfers	21,498	12,411	-	-	-
Increase in Net Position	$ 13,414,742	$ 11,682,301	$ 18,298,345	$ 13,759,392	$ 15,832,216
Net Position - October 1	254,553,098	242,870,797 B	233,984,571 A	220,845,000	205,012,784
Net Position - September 30	$ 267,967,840	$ 254,553,098	$ 252,282,916	$ 234,604,392	$ 220,845,000

A: Implementation of GASB 65 required a $619,821 adjustment to beginning fund balance to remove the deferred bond issuance costs that was shown on the Government-wide Statement of Net Position in fiscal year 2013.
B: Implementation of GASB 68 required a $9,412,119 adjustment to beginning fund balance to recognize net pension liability and beginning deferred outflow for contributions made after the measurement date in fiscal year 2015.

Table 12A - General Fund Revenue and Expenditure History

	Fiscal Years Ended September 30,				
	2016	2015	2014	2013	2012
Revenues:					
Taxes, Penalties and Interest	$ 47,302,860	$ 42,225,701	$ 39,168,116	$ 38,458,478	$ 37,691,051
Charges for Services	4,074,572	3,870,908	5,045,434	5,990,790	5,949,397
Licenses and Permits	2,552,730	2,791,548	2,299,004	2,620,971	2,467,323
Intergovernmental	21,520	-	2,742	-	-
Interest	229,721	64,199	61,685	71,472	53,711
Fine and Forfeitures	1,199,787	1,068,806	877,385	966,474	1,002,617
Miscellaneous	499,502	496,532	697,233	921,687	1,253,928
Total Revenues	$ 55,880,692	$ 50,517,694	$ 48,151,599	$ 49,029,872	$ 48,418,027
Expenditures:					
General Government	$ 9,344,357	$ 9,126,613	$ 8,454,618	$ 7,628,632	$ 7,141,706
Public Safety	20,857,320	20,138,839	19,095,720	18,718,026	17,721,851
Public Works	6,518,869	6,159,757	5,970,336	6,321,030	5,375,375
Cultural and Recreational	10,393,063	9,721,720	9,421,180	8,507,940	8,149,238
Capital Outlay	4,418,186	3,537,570	3,832,967	4,859,547	4,741,483
Debt Service	-	-	-	-	4,085
Total Expenditures	51,531,795	48,684,499	46,774,821	46,035,175	43,133,738
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,348,897	1,833,195	1,376,778	2,994,697	5,284,289
Capital Leases and Bonds Payable	-	-	-	-	-
Proceeds from Sale of Capital Assets	346,492	1,104,742	972,487	377,554	766,586
Operating Transfers - Net	(2,852,905)	(1,733,110)	(4,834,846)	640,285	1,771,956
Total Other Sources (Uses)	(2,506,413)	(628,368)	(3,862,359)	1,017,839	2,538,542
Net Change in Fund Balance	1,842,484	1,204,827	(2,485,581)	4,012,536	7,822,831
Beginning Fund Balance	55,056,309	53,851,482	56,337,063	52,324,527	44,501,696
Ending Fund Balance	$ 56,898,793	$ 55,056,309	$ 53,851,482	$ 56,337,063	$ 52,324,527

Table 13 - Municipal Sales Tax History

Fiscal Year Ended 9/30		Total Collected	1% Sales Tax	Recreation 1/2% Sales Tax	Educational 1/2% Sales Tax (3)	Street Maintenance 1/4% Sales Tax (4)	Crime Prevention 1/4% Sales Tax (4)	% of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita
2004		9,774,137	4,560,865	2,606,636	2,606,636	-	-	40.31%	0.2614	252.89
2005	(1)	13,094,586	5,982,285	3,692,408	3,419,893	-	-	52.58%	0.3411	330.96
2006		16,928,728	7,075,386	4,926,671	4,926,671	-	-	64.68%	0.4195	431.76
2007		18,749,909	8,095,285	5,327,312	5,327,312	-	-	68.30%	0.4381	476.28
2008		19,033,818	8,330,729	5,394,582	3,189,516	1,094,351	1,024,640	64.38%	0.4130	481.07
2009		21,427,532	9,752,693	5,891,166	556,353	2,667,500	2,559,820	69.53%	0.4450	541.58
2010		19,304,765	8,667,690	5,348,188	-	2,674,187	2,614,700	62.16%	0.3985	485.65
2011		20,680,984	9,150,272	5,785,427	-	2,892,815	2,852,470	62.23%	0.4301	530.96
2012		23,038,077	10,153,293	6,466,073	-	3,233,150	3,185,561	69.30%	0.4801	589.66
2013		26,652,275	11,611,235	7,557,256	-	3,778,760	3,705,024	80.20%	0.5389	681.82
2014		27,946,909	12,089,150	7,947,078	-	3,973,678	3,937,003	84.46%	0.5373	709.67
2015		29,894,710	12,921,641	8,506,346	-	4,253,323	4,213,400	88.02%	0.5323	747.37
2016		33,715,840	15,107,000	9,328,626	-	4,664,313	4,615,901	93.47%	0.5411	839.33
2017	(2)	6,095,028	2,700,419	1,699,985	-	849,992	844,632	15.67%	0.0908	151.20

(1) Amount of increase due to several large one time sales tax reallocations from the State Comptroller's Office
(2) As of December, 2016
(3) The Educational Sales Tax expired March 31, 2008
(4) Collection of the Street Maintenance and Crime Prevention Taxes began on April 1, 2008.

Table 14 - Current Investments (As of 9/30/2016)

Description	Percent of Portfolio	Purchase Price	Market Value
TexPool	21.52%	$ 28,021,672	$ 28,030,359
TexStar	24.51%	31,919,598	31,932,749
Federal Agriculture Mortgage Corporation	7.66%	9,974,013	9,990,570
Federal Home Loan Bank	19.05%	24,811,576	24,838,120
Federal Home Loan Mortgage Corporation	13.85%	18,029,813	18,055,265
Federal Farm Credit Banks	1.15%	1,495,933	1,496,501
Federal National Mortgage Association	12.26%	15,968,772	15,997,159
	100.00%	$ 130,221,377	$ 130,340,723

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